Pages 2609–2656

FEDERAL REGISTER

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Contents

(Continued on next page)

Codification Guide

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

Monthly, quarterly, and annual cumulative guides, published separately from the daily issues, include the section numbers as well as the part numbers affected.

5 CFR

6 2611

6 CFR

365 2611

7 CFR

904 2611
990 2613
996 2614
999 2616
1019 2617

PROPOSED RULES:

28 2622
903 2623
921 2626
934 2629
1018 2644
1024 2644

14 CFR

507 (4 documents) 2619
600 2620
601 2620
602 2620
608 2620
618 2620

PROPOSED RULES:

600 2646
601 2646

21 CFR

PROPOSED RULES:

29 2645

24 CFR

241 2620
243 2620

33 CFR

203 2621

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Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

Department of Agriculture

Effective upon publication in the FEDERAL REGISTER, paragraph (a)(13) of § 6.311 is revoked.

(R.S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U.S.C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] MARY V. WENZEL,
Executive Assistant.

[F.R. Doc. 60-2842; Filed, Mar. 28, 1960; 8:50 a.m.]

Title 6—AGRICULTURAL CREDIT

Chapter III—Farmers Home Administration, Department of Agriculture

SUBCHAPTER E—ACCOUNT SERVICING

[FHA Instruction 451.6]

PART 365—REFINANCING OF LOAN ACCOUNTS

Approval of Additional Loans

Paragraph (b) of § 365.4, Title 6, Code of Federal Regulations (24 F.R. 755), is revised to restrict the disapproval of further loans for failure to refinance, to the type the borrower fails to refinance when requested to do so, and to read as follows:

§ 365.4 Graduation of Farmers Home Administration borrowers to other sources of credit by voluntary means.

* * * * *

(b) *When borrowers should be advised to refinance their Farmers Home Administration indebtedness.* Ordinarily borrowers indebted for loans other than for annual operating expenses only, will be advised to obtain credit from other sources to refinance their Farmers Home Administration indebtedness when they have acquired sufficient equity in their property to enable them to obtain credit for this purpose from other reliable sources at rates and terms generally available to other farmers in the same area. Borrowers indebted for both Farmers Home Administration chattel and real estate loans are expected to refinance their chattel indebtedness when they are able to do so even though they are unable at that time to refinance their real estate indebtedness. The converse of this situation also is true. No further loans of the type that a borrower has been advised to refinance will be made to such borrower unless it becomes clearly evident that he will be unable to obtain credit needed from other sources.

(R.S. 161, secs. 41, 6, 50 Stat. 528, as amended, 870, sec. 510, 63 Stat. 437, sec. 10, 68 Stat. 735, sec. 4, 64 Stat. 100; 5 U.S.C. 22, 7 U.S.C. 1015, 16 U.S.C. 590w, 42 U.S.C. 1480, 16 U.S.C. 590x-3; Order of Acting Sec. Agr., 19 F.R. 74, 22 F.R. 8188)

Dated: March 23, 1960.

K. H. HANSEN,
Administrator,
Farmers Home Administration.

[F.R. Doc. 60-2823; Filed, Mar. 28, 1960; 8:48 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders) Department of Agriculture

[Milk Order 4]

PART 904—MILK IN THE GREATER BOSTON, MASS., MARKETING AREA

Order Amending Order

§ 904.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of previously issued amendments thereto; regulating the handling of milk in the Greater Boston, Massachusetts marketing area and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Greater Boston, Massachusetts, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, marketing agreements upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than April 1, 1960.

The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued January 27, 1960, and the decision of the Assistant Secretary containing all amendment provisions of this order, was issued February 29, 1960. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective April 1, 1960, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See sec. 4(c) Administrative Procedure Act, 5 U.S.C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in section 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Greater Boston, Massachusetts, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

Amend § 904.48 of the Greater Boston order by deleting all of the present lan-

guage thereof and substituting therefor the following:

§ 904.48 Computation of New England basic Class I price.

The New England basic Class I price per hundredweight of milk containing 3.7 percent butterfat shall be determined for each month pursuant to this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the following computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday the latest figures available on the next succeding work day shall be used.

(a) Compute the economic index as follows:

(1) Divide by 1.190 the monthly wholesale price index for all commodities as reported by the Bureau of Labor Statistics, United States Department of Labor, with the years 1947–49 as the base period.

(2) Using the data on per capita personal income, by States and regions, as published by the United States Department of Commerce, establish a "New England adjustment percentage" by computing the current percentage relationship of New England per capita personal income to per capita personal income in continental United States. Multiply by the New England adjustment percentage the quarterly figure showing the current annual rate of per capita disposable personal income in the United States as released by the United States Department of Commerce or the Council of Economic Advisers to the President. Divide the result by 20.50 to determine an index of per capita disposable personal income in New England.

(3) Multiply by 20 the average price per 100 pounds paid by farmers in the New England region for all mixed dairy feed of less than 29 percent protein content as reported by the United States Department of Agriculture for the month and divide the result by .8982 to determine the dairy ration index. Compute the average, weighted by the indicated factors, of the following farm wage rates reported for the New England region by the United States Department of Agriculture: Rate per month with board and room, 1; rate per month with house, 1; rate per week with board and room, 4.33; rate per week without board or room, 4.33; and the rate per day without board or room, 26. Divide the average wage rate so computed by 1.9833 to determine the wage rate index. Multiply the dairy ration index by 0.6 and the wage rate index by 0.4 and combine the two results to determine the grain-labor cost index.

(4) Divide by 7 the sum of three times the wholesale price index, the index of per capita disposable income in New England, and three times the grain-labor cost index determined pursuant to this paragraph. The result shall be known as the economic index.

(b) Compute an economic index price as follows:

(1) Multiply the economic index by $.0567, expressing the result to the nearest mill;

(2) Divide the Class I–A price for the month determined pursuant to Federal Order No. 27 and applicable to the 201–210-mile freight zone for 3.5 percent milk by the product of the utilization adjustment percentage and the seasonal adjustment factor which entered into the computation thereof, and then add $.08, expressing the result to the nearest mill;

(3) The economic index price shall be the price computed in subparagraph (1) of this paragraph, unless the difference between the result computed in subparagraph (1) of this paragraph and the result computed in subparagraph (2) of this paragraph exceeds 11 cents. In that event, the economic index price shall be the price computed pursuant to subparagraph (1) of this paragraph minus the amount of the excess above 11 cents if the result under subparagraph (1) of this paragraph is the greater, and plus the amount of the excess above 11 cents if the result under subparagraph (2) of this paragraph is the greater.

(c) Compute a supply-demand adjustment factor as follows:

(1) Combine into separate monthly totals the recepts from producers for Greater Boston, Connecticut, Southeastern New England, Springfield, and Worcester and the Class I milk from producers for the same markets as announced by the respective market administrators in the statistical reports for such markets for the second and third months preceding the month for which the price is being computed.

(2) Divide the five-market total of Class I producer milk by the five-market total of receipts from producers for each of the two months for which computations were made pursuant to subparagraph (1) of this paragraph.

(3) Divide each of the percentages determined in subparagraph (2) of this paragraph into the following base Class I percentage for the respective month, multiply each result by 100, and compute a simple average of the resulting percentages. The result shall be known as the percentage of base supply.

Month:	*Base Class I percentage*
January	71.6
February	69.8
March	65.1
April	61.1
May	55.5
June	56.7
July	69.3
August	74.7
September	75.8
October	76.5
November	77.9
December	73.0

(4) The supply-demand adjustment factor shall be the figure in the following table opposite the bracket within which the percentage of base supply falls. When the percentage of base supply falls in an interval between brackets, the supply-demand adjustment factor shall be the figure shown for the next higher bracket if the factor for the previous month was based on a bracket higher than such interval, and shall be the figure for the next lower bracket if the factor for the previous month was based on a bracket lower than such interval.

Percentage of base supply: [1]	*Supply-demand adjustment factor*
90.5–91.5	1.06
92.0–93.0	1.05
93.5–94.5	1.04
95.0–96.0	1.03
96.5–97.5	1.02
98.0–99.0	1.01
99.5–100.5	1.00
101.0–102.0	.99
102.5–103.5	.98
104.0–105.0	.97
105.5–106.5	.96
107.0–108.0	.95
108.5–109.5	.94

[1] If the percentage of base supply calculated according to (4) above falls outside the extremes shown in this column, the supply-demand adjustment factor shall be determined by extending the table at the indicated rate of extension.

(d) The seasonal adjustment factor shall be the factor listed below for the month for which the price is being computed.

Month:	*Seasonal adjustment factor*
January and February	1.04
March	1.00
April	.92
May and June	.88
July	.96
August	1.00
September	1.04
October, November and December	1.08

(e) Multiply the Economic Index price determined pursuant to paragraph (b) of this section by the product of the supply-demand adjustment factor determined pursuant to paragraph (c) of this section times the seasonal adjustment factor determined pursuant to paragraph (d) of this section. The New England basic Class I price shall be the price set forth in column 3 of the following table opposite the range within which the result of this computation falls.

Range		New England basic Class I price
At least—	But less than—	
$4.86 [1]	$5.08	$4.97
$5.08	5.30	5.19
$5.30	5.52	5.41
$5.52	5.74	5.63
$5.74	5.96	5.85
$5.96	6.18	6.07
$6.18	6.40	6.29
$6.40	6.62	6.51
$6.62	6.84	6.73
$6.84	[1] 7.06	6.95

[1] If the result of the computation specified in this paragraph is less than $4.86 or is $7.06 or more, the New England basic Class I price shall be determined by extending the table at the indicated rate of extension.

(f) Notwithstanding the provisions of the preceding paragraphs of this section, the New England basic Class I price for November or December of each year shall not be lower than such price for the immediately preceding month.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Issued at Washington, D.C., this 23d day of March 1960, to be effective on and after the 1st day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 60–2815; Filed, Mar. 28, 1960; 8:48 a.m.]

[Milk Order 90]

PART 990—MILK IN SOUTHEASTERN NEW ENGLAND MARKETING AREA

Order Amending Order

§ 990.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid orders and of previously issued amendments thereto; regulating the handling of milk in the Southeastern New England marketing area and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Southeastern New England marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, marketing agreements upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than April 1, 1960.

The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued January 27, 1960, and the decision of the Assistant Secretary containing all amendment provisions of this order, was issued February 29, 1960. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective April 1, 1960, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See sec. 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.)

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in section 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who participated in a referendum and who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Southeastern New England marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

Amend § 990.41 of the Southeastern New England order by deleting all of the present language thereof and substituting therefor the following:

§ 990.41 Computation of New England basic Class I price.

The New England basic Class I price per hundredweight of milk containing 3.7 percent butterfat shall be determined for each month pursuant to this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the following computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday the latest figures available on the next succeeding work day shall be used.

(a) Compute the economic index as follows:

(1) Divide by 1.190 the monthly wholesale price index for all commodities as reported by the Bureau of Labor Statistics, United States Department of Labor, with the years 1947–49 as the base period.

(2) Using the data on per capita personal income, by States and regions, as published by the United States Department of Commerce, establish a "New England adjustment percentage" by computing the current percentage relationship of New England per capita personal income to per capita personal income in continental United States. Multiply by the New England adjustment percentage the quarterly figure showing the current annual rate of per capita disposable personal income in the United States as released by the United States Department of Commerce or the Council of Economic Advisers to the President. Divide the result by 20.50 to determine an index of per capita disposable personal income in New England.

(3) Multiply by 20 the average price per 100 pounds paid by farmers in the New England region for all mixed dairy feed of less than 29 percent protein content as reported by the United States Department of Agriculture for the month and divide the result by .8082 to determine the dairy ration index. Compute the average, weighted by the indicated factors, of the following farm wage rates reported for the New England region by the United States Department of Agriculture: Rate per month with board and room, 1; rate per month with house, 1; rate per week with board and room, 4.33; rate per week without board or room, 4.33; and the rate per day without board or room, 26. Divide the average wage rate so computed by 1.9833 to determine the wage rate index. Multiply the dairy ration index by 0.6 and the wage rate index by 0.4 and combine the two results to determine the grain-labor cost index.

(4) Divide by 7 the sum of three times the wholesale price index, the index of per capita disposable income in New England, and three times the grain-labor cost index determined pursuant to this paragraph. The result shall be known as the economic index.

(b) Compute an economic index price as follows:

(1) Multiply the economic index by $.0567, expressing the result to the nearest mill;

(2) Divide the Class I–A price for the month determined pursuant to Federal Order No. 27 and applicable to the 201–210-mile freight zone for 3.5 percent milk by the product of the utilization adjustment percentage and the seasonal adjustment factor which entered into the computation thereof, and then add $.08, expressing the result to the nearest mill;

(3) The economic index price shall be the price computed in subparagraph (1) of this paragraph, unless the difference between the result computed in subparagraph (1) of this paragraph and the result computed in subparagraph (2) of this paragraph exceeds 11 cents. In that event, the economic index price shall be the price computed pursuant to subparagraph (1) of this paragraph minus the amount of the excess above 11 cents if the result under subparagraph (1) of this paragraph is the greater, and plus the amount of the excess above 11 cents if the result under subparagraph (2) of this paragraph is the greater.

(c) Compute a supply-demand adjustment factor as follows:

(1) Combine into separate monthly totals the receipts from producers for Greater Boston, Connecticut, Southeastern New England, Springfield, and Worcester and the Class I milk from producers for the same markets as announced by the respective market administrators in the statistical reports for such markets for the second and third months preceding the month for which the price is being computed.

(2) Divide the five-market total of Class I producer milk by the five-market total of receipts from producers for each of the two months for which computa-

tions were made pursuant to subparagraph (1) of this paragraph.

(3) Divide each of the percentages determined in subparagraph (2) of this paragraph into the following base Class I percentage for the respective month, multiply each result by 100, and compute a simple average of the resulting percentages. The result shall be known as the percentage of base supply.

Month:	*Base Class I percentage*
January	71.6
February	69.8
March	65.1
April	61.1
May	55.5
June	56.7
July	69.3
August	74.7
September	75.8
October	76.5
November	77.9
December	73.0

(4) The supply-demand adjustment factor shall be the figure in the following table opposite the bracket within which the percentage of base supply falls. When the percentage of base supply falls in an interval between brackets, the supply-demand adjustment factor shall be the figure shown for the next higher bracket if the factor for the previous month was based on a bracket higher than such interval, and shall be the figure for the next lower bracket if the factor for the previous month was based on a bracket lower than such interval.

Percentage of base supply: [1]	*Supply-demand adjustment factor*
90.5–91.5	1.06
92.0–93.0	1.05
93.5–94.5	1.04
95.0–96.0	1.03
96.5–97.5	1.02
98.0–99.0	1.01
99.5–100.5	1.00
101.0–102.0	.99
102.5–103.5	.98
104.0–105.0	.97
105.5–106.5	.96
107.0–108.0	.95
108.5–109.5	.94

[1] If the percentage of base supply calculated according to (4) above falls outside the extremes shown in this column, the supply-demand adjustment factor shall be determined by extending the table at the indicated rate of extension.

(d) The seasonal adjustment factor shall be the factor listed below for the month for which the price is being computed.

Month:	*Seasonal adjustment factor*
January and February	1.04
March	1.00
April	.92
May and June	.88
July	.96
August	1.00
September	1.04
October, November and December	1.08

(e) Multiply the Economic Index price determined pursuant to paragraph (b) of this section by the product of the supply-demand adjustment factor determined pursuant to paragraph (c) of this section times the seasonal adjustment factor determined pursuant to paragraph (d) of this section. The New England basic Class I price shall be the price set forth in column 3 of the following table opposite the range within which the result of this computation falls.

Range		New England basic Class I price
At least—	But less than—	
$4.86 [1]	$5.08	$4.97
$5.08	5.30	5.19
$5.30	5.52	5.41
$5.52	5.74	5.63
$5.74	5.96	5.85
$5.96	6.18	6.07
$6.18	6.40	6.29
$6.40	6.62	6.51
$6.62	6.84	6.73
$6.84	[1] 7.06	6.95

[1] If the result of the computation specified in this paragraph is less than $4.86 or is $7.06 or more, the New England basic Class I price shall be determined by extending the table at the indicated rate of extension.

(f) Notwithstanding the provisions of the preceding paragraphs of this section, the New England basic Class I price for November or December of each year shall not be lower than such price for the immediately preceding month.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Issued at Washington, D.C., this 23d day of March 1960, to be effective on and after the 1st day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 60-2817; Filed, Mar. 28, 1960; 8:48 a.m.]

[Milk Order 96]

PART 996—MILK IN SPRINGFIELD, MASS., MARKETING AREA

Order Amending Order

§ 996.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of previously issued amendments thereto; regulating the handling of milk in the Springfield, Massachusetts, marketing area and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendment to the tentative marketing agreement and to the order regulating the handling of milk in the Springfield, Massachusetts, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, marketing agreements upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than April 1, 1960.

The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued January 27, 1960, and the decision of the assistant secretary containing all amendment provisions of this order, was issued February 29, 1960. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective April 1, 1960, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See sec. 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.)

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in section 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Springfield, Massachusetts, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

Amend § 996.48 of the Springfield order by deleting all of the present

language thereof and substituting therefor the following:

§ 996.48 Computation of New England basic Class I price.

The New England basic Class I price per hundredweight of milk containing 3.7 percent butterfat shall be determined for each month pursuant to this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the following computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday the latest figures available on the next succeeding work day shall be used.

(a) Compute the economic index as follows:

(1) Divide by 1.190 the monthly wholesale price index for all commodities as reported by the Bureau of Labor Statistics, United States Department of Labor, with the years 1947–49 as the base period.

(2) Using the data on per capita personal income, by States and regions, as published by the United States Department of Commerce, establish a "New England adjustment percentage" by computing the current percentage relationship of New England per capita personal income to per capita personal income in continental United States. Multiply by the New England adjustment percentage the quarterly figure showing the current annual rate of per capita disposable personal income in the United States as released by the United States Department of Commerce or the Council of Economic Advisers to the President. Divide the result by 20.50 to determine an index of per capita disposable personal income in New England.

(3) Multiply by 20 the average price per 100 pounds paid by farmers in the New England region for all mixed dairy feed of less than 29 percent protein content as reported by the United States Department of Agriculture for the month and divide the result by .8082 to determine the dairy ration index. Compute the average, weighted by the indicated factors, of the following farm wage rates reported for the New England region by the United States Department of Agriculture: Rate per month with board and room, 1; rate per month with house, 1; rate per week with board and room, 4.33; rate per week without board or room, 4.33; and the rate per day without board or room, 26. Divide the average wage rate so computed by 1.9833 to determine the wage rate index. Multiply the dairy ration index by 0.6 and the wage rate index by 0.4 and combine the two results to determine the grain-labor cost index.

(4) Divide by 7 the sum of three times the wholesale price index, the index of per capita disposable income in New England, and three times the grain-labor cost index determined pursuant to this paragraph. The result shall be known as the economic index.

(b) Compute an economic index price as follows:

(1) Multiply the economic index by $.0567, expressing the result to the nearest mill;

(2) Divide the Class I–A price for the month determined pursuant to Federal Order No. 27 and applicable to the 201–210-mile freight zone for 3.5 percent milk by the product of the utilization adjustment percentage and the seasonal adjustment factor which entered into the computation thereof, and then add $.08, expressing the result to the nearest mill;

(3) The economic index price shall be the price computed in subparagraph (1) of this paragraph, unless the difference between the result computed in subparagraph (1) of this paragraph and the result computed in subparagraph (2) of this paragraph exceeds 11 cents. In that event, the economic index price shall be the price computed pursuant to subparagraph (1) of this paragraph minus the amount of the excess above 11 cents if the result under subparagraph (1) of this paragraph is the greater, and plus the amount of the excess above 11 cents if the result under subparagraph (2) of this paragraph is the greater.

(c) Compute a supply-demand adjustment factor as follows:

(1) Combine into separate monthly totals the receipts from producers for Greater Boston, Connecticut, Southeastern New England, Springfield, and Worcester and the Class I milk from producers for the same markets as announced by the respective market administrators in the statistical reports for such markets for the second and third months preceding the month for which the price is being computed.

(2) Divide the five-market total of Class I producer milk by the five-market total of receipts from producers for each of the two months for which computations were made pursuant to subparagraph (1) of this paragraph.

(3) Divide each of the percentages determined in subparagraph (2) of this paragraph into the following base Class I percentage for the respective month, multiply each result by 100, and compute a simple average of the resulting percentages. The result shall be known as the percentage of base supply.

Month:	*Base Class I percentage*
January	71.6
February	69.8
March	65.1
April	61.1
May	55.5
June	56.7
July	69.3
August	74.7
September	75.8
October	76.5
November	77.9
December	73.0

(4) The supply-demand adjustment factor shall be the figure in the following table opposite the bracket within which the percentage of base supply falls. When the percentage of base supply falls in an interval between brackets, the supply-demand adjustment factor shall be the figure shown for the next higher bracket if the factor for the previous month was based on a bracket higher than such interval, and shall be the figure for the next lower bracket if the factor for the previous month was based on a bracket lower than such interval.

Percentage of base supply: [1]	*Supply-demand adjustment factor*
90.5–91.5	1.06
92.0–93.0	1.05
93.5–94.5	1.04
95.0–96.0	1.03
96.5–97.5	1.02
98.0–99.0	1.01
99.5–100.5	1.00
101.0–102.0	.99
102.5–103.5	.98
104.0–105.0	.97
105.5–106.5	.96
107.0–108.0	.95
108.5–109.5	.94

[1] If the percentage of base supply calculated according to (4) above falls outside the extremes shown in this column, the supply-demand adjustment factor shall be determined by extending the table at the indicated rate of extension.

(d) The seasonal adjustment factor shall be the factor listed below for the month for which the price is being computed.

Month:	*Seasonal adjustment factor*
January and February	1.04
March	1.00
April	.92
May and June	.88
July	.96
August	1.00
September	1.04
October, November and December	1.08

(e) Multiply the Economic Index price determined pursuant to paragraph (b) of this section by the product of the supply-demand adjustment factor determined pursuant to paragraph (c) of this section times the seasonal adjustment factor determined pursuant to paragraph (d) of this section. The New England basic Class I price shall be the price set forth in column 3 of the following table opposite the range within which the result of this computation falls.

Range		New England basic Class I price
At least—	But less than—	
$4.86 [1]	$5.08	$4.97
$5.08	5.30	5.19
$5.30	5.52	5.41
$5.52	5.74	5.63
$5.74	5.96	5.85
$5.96	6.18	6.07
$6.18	6.40	6.29
$6.40	6.62	6.51
$6.62	6.84	6.73
$6.84	[1] 7.06	6.95

[1] If the result of the computation specified in this paragraph is less than $4.86 or is $7.06 or more, the New England basic Class I price shall be determined by extending the table at the indicated rate of extension.

(f) Notwithstanding the provisions of the preceding paragraphs of this section, the New England basic Class I price for November or December of each year shall not be lower than such price for the immediately preceding month.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Issued at Washington, D.C., this 23d day of March 1960, to be effective on and after the 1st day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 60–2816; Filed, Mar. 28, 1960; 8:48 a.m.]

[Milk Order 99]

PART 999—MILK IN WORCESTER, MASS., MARKETING AREA

Order Amending Order

§ 999.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of previously issued amendments thereto; regulating the handling of milk in the Worcester, Massachusetts, marketing area and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon a certain proposed amendment to the tentative marketing agreement and to the order regulating the handling of milk in the Worcester, Massachusetts, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, marketing agreements upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than April 1, 1960.

The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued January 27, 1960, and the decision of the Assistant Secretary containing all amendment provisions of this order, was issued February 29, 1960. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective April 1, 1960, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See sec. 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.)

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in sec. 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Worcester, Massachusetts, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

Amend § 999.48 of the Worcester order by deleting all of the present language thereof and substituting therefor the following:

§ 999.48 Computation of New England basic Class I price.

The New England basic Class I price per hundredweight of milk containing 3.7 percent butterfat shall be determined for each month pursuant to this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the following computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday the latest figures available on the next succeeding work day shall be used.

(a) Compute the economic index as follows:

(1) Divide by 1.190 the monthly wholesale price index for all commodities as reported by the Bureau of Labor Statistics, United States Department of Labor, with the years 1947–49 as the base period.

(2) Using the data on per capita personal income, by States and regions, as published by the United States Department of Commerce, establish a "New England adjustment percentage" by computing the current percentage relationship of New England per capita personal income to per capita personal income in continental United States. Multiply by the New England adjustment percentage the quarterly figure showing the current annual rate of per capita disposable personal income in the United States as released by the United States Department of Commerce or the Council of Economic Advisers to the President. Divide the result by 20.50 to determine an index of per capita disposable personal income in New England.

(3) Multiply by 20 the average price per 100 pounds paid by farmers in the New England region for all mixed dairy feed of less than 29 percent protein content as reported by the United States Department of Agriculture for the month and divide the result by .8082 to determine the dairy ration index. Compute the average, weighted by the indicated factors, of the following farm wage rates reported for the New England region by the United States Department of Agriculture: Rate per month with board and room, 1; rate per month with house, 1; rate per week with board and room, 4.33; rate per week without board or room, 4.33; and the rate per day without board or room, 26. Divide the average wage rate so computed by 1.9833 to determine the wage rate index. Multiply the dairy ration index by 0.6 and the wage rate index by 0.4 and combine the two results to determine the grain-labor cost index.

(4) Divide by 7 the sum of three times the wholesale price index, the index of per capita disposable income in New England, and three times the grain-labor cost index determined pursuant to this paragraph. The result shall be known as the economic index.

(b) Compute an economic index price as follows:

(1) Multiply the economic index by $.0567, expressing the result to the nearest mill;

(2) Divide the Class I–A price for the month determined pursuant to Federal Order No. 27 and applicable to the 201–210-mile freight zone for 3.5 percent milk by the product of the utilization adjustment percentage and the seasonal adjustment factor which entered into the computation thereof, and then add $.08, expressing the result to the nearest mill;

(3) The economic index price shall be the price computed in subparagraph (1) of this paragraph, unless the difference between the result computed in subparagraph (1) of this paragraph and the result computed in subparagraph (2) of this paragraph exceeds 11 cents. In that event, the economic index price shall be the price computed pursuant to subparagraph (1) of this paragraph minus the amount of the excess above 11 cents if the result under subparagraph (1) of this paragraph is the greater, and plus the amount of the excess above 11 cents if the result under subparagraph (2) of this paragraph is the greater.

(c) Compute a supply-demand adjustment factor as follows:

(1) Combine into separate monthly totals the receipts from producers for Greater Boston, Connecticut, Southeastern New England, Springfield, and Worcester and the Class I milk from producers for the same markets as announced by the respective market administrators in the statistical reports for such markets for the second and third months preceding the month for which the price is being computed.

(2) Divide the five-market total of Class I producer milk by the five-market total of receipts from producers for each of the two months for which computa-

tions were made pursuant to subparagraph (1) of this paragraph.

(3) Divide each of the percentages determined in subparagraph (2) of this paragraph into the following base Class I percentage for the respective month, multiply each result by 100, and compute a simple average of the resulting percentages. The result shall be known as the percentage of base supply.

Month:	*Base Class I percentage*
January	71.6
February	69.8
March	65.1
April	61.1
May	55.5
June	56.7
July	69.3
August	74.7
September	75.8
October	76.5
November	77.9
December	73.0

(4) The supply-demand adjustment factor shall be the figure in the following table opposite the bracket within which the percentage of base supply falls. When the percentage of base supply falls in an interval between brackets, the supply-demand adjustment factor shall be the figure shown for the next higher bracket if the factor for the previous month was based on a bracket higher than such interval, and shall be the figure for the next lower bracket if the factor for the previous month was based on a bracket lower than such interval.

Percentage of base supply: [1]	*Supply-demand adjustment factor*
90.5–91.5	1.06
92.0–93.0	1.05
93.5–94.5	1.04
95.0–96.0	1.03
96.5–97.5	1.02
98.0–99.0	1.01
99.5–100.5	1.00
101.0–102.0	.99
102.5–103.5	.98
104.0–105.0	.97
105.5–106.5	.96
107.0–108.0	.95
108.5–109.5	.94

[1] If the percentage of base supply calculated according to (4) above falls outside the extremes shown in this column, the supply-demand adjustment factor shall be determined by extending the table at the indicated rate of extension.

(d) The seasonal adjustment factor shall be the factor listed below for the month for which the price is being computed.

Month:	*Seasonal adjustment factor*
January and February	1.04
March	1.00
April	.92
May and June	.88
July	.96
August	1.00
September	1.04
October, November and December	1.08

(e) Multiply the Economic Index price determined pursuant to paragraph (b) of this section by the product of the supply-demand adjustment factor determined pursuant to paragraph (c) of this section times the seasonal adjustment factor determined pursuant to paragraph (d) of this section. The New England basic Class I price shall be the price set forth in column 3 of the following table opposite the range within which the result of this computation falls.

Range		New England basic Class I price
At least—	But less than—	
$4.86 [1]	$5.08	$4.97
$5.08	5.30	5.19
$5.30	5.52	5.41
$5.52	5.74	5.63
$5.74	5.96	5.85
$5.96	6.18	6.07
$6.18	6.40	6.29
$6.40	6.62	6.51
$6.62	6.84	6.73
$6.84	[1] 7.06	6.95

[1] If the result of the computation specified in this paragraph is less than $4.86 or is $7.06 or more, the New England basic Class I price shall be determined by extending the table at the indicated rate of extension.

(f) Notwithstanding the provisions of the preceding paragraphs of this section, the New England basic Class I price for November or December of each year shall not be lower than such price for the immediately preceding month.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Issued at Washington, D.C., this 23d day of March 1960, to be effective on and after the 1st day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 60-2818; Filed, Mar. 28, 1960; 8:48 a.m.]

[Milk Order 119]

PART 1019—MILK IN CONNECTICUT MARKETING AREA

Order Amending Order

§ 1019.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of any previously issued amendments thereto; regulating the handling of milk in the Connecticut marketing area and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Connecticut marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, marketing agreements upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than April 1, 1960.

The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued January 27, 1960, and the decision of the Assistant Secretary containing all amendment provisions of this order, was issued February 29, 1960. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective April 1, 1960, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See sec. 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.)

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in section 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who participated in a referendum and who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Connecticut marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

Amend § 1019.41 of the Connecticut order by deleting all of the present language thereof and substituting therefor the following:

§ 1019.41 Computation of New England basic Class I price.

The New England basic Class I price per hundredweight of milk containing 3.7 percent butterfat shall be determined for each month pursuant to this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the following computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday the latest figures available on the next succeeding work day shall be used.

(a) Compute the economic index as follows:

(1) Divide by 1.190 the monthly wholesale price index for all commodities as reported by the Bureau of Labor Statistics, United States Department of Labor, with the years 1947–49 as the base period.

(2) Using the data on per capita personal income, by States and regions, as published by the United States Department of Commerce, establish a "New England adjustment percentage" by computing the current percentage relationship of New England per capita personal income to per capita personal income in continental United States. Multiply by the New England adjustment percentage the quarterly figure showing the current annual rate of per capita disposable personal income in the United States as released by the United States Department of Commerce or the Council of Economic Advisers to the President. Divide the result by 20.50 to determine an index of per capita disposable personal income in New England.

(3) Multiply by 20 the average price per 100 pounds paid by farmers in the New England region for all mixed dairy feed of less than 29 percent protein content as reported by the United States Department of Agriculture for the month and divide the result by .8082 to determine the dairy ration index. Compute the average, weighted by the indicated factors, of the following farm wage rates reported for the New England region by the United States Department of Agriculture: Rate per month with board and room, 1; rate per month with house, 1; rate per week with board and room, 4.33; rate per week without board or room, 4.33; and the rate per day without board or room, 26. Divide the average wage rate so computed by 1.9833 to determine the wage rate index. Multiply the dairy ration index by 0.6 and the wage rate index by 0.4 and combine the two results to determine the grain-labor cost index.

(4) Divide by 7 the sum of three times the wholesale price index, the index of per capita disposable income in New England, and three times the grain-labor cost index determined pursuant to this paragraph. The result shall be known as the economic index.

(b) Compute an economic index price as follows:

(1) Multiply the economic index by $.0567, expressing the result to the nearest mill;

(2) Divide the Class I–A price for the month determined pursuant to Federal Order No. 27 and applicable to the 201–210-mile freight zone for 3.5 percent milk by the product of the utilization adjustment percentage and the seasonal adjustment factor which entered into the computation thereof, and then add $.08, expressing the result to the nearest mill;

(3) The economic index price shall be the price computed in subparagraph (1) of this paragraph, unless the difference between the result computed in subparagraph (1) of this paragraph and the result computed in subparagraph (2) of this paragraph exceeds 11 cents. In that event, the economic index price shall be the price computed pursuant to subparagraph (1) of this paragraph minus the amount of the excess above 11 cents if the result under subparagraph (1) of this paragraph is the greater, and plus the amount of the excess above 11 cents if the result under subparagraph (2) of this paragraph is the greater.

(c) Compute a supply-demand adjustment factor as follows:

(1) Combine into separate monthly totals the receipts from producers for Greater Boston, Connecticut, Southeastern New England, Springfield, and Worcester and the Class I milk from producers for the same markets as announced by the respective market administrators in the statistical reports for such markets for the second and third months preceding the month for which the price is being computed.

(2) Divide the five-market total of Class I producer milk by the five-market total of receipts from producers for each of the two months for which computations were made pursuant to subparagraph (1) of this paragraph.

(3) Divide each of the percentages determined in subparagraph (2) of this paragraph into the following base Class I percentage for the respective month, multiply each result by 100, and compute a simple average of the resulting percentages. The result shall be known as the percentage of base supply.

Month:	*Base Class I percentage*
January	71.6
February	69.8
March	65.1
April	61.1
May	55.5
June	56.7
July	69.3
August	74.7
September	75.8
October	76.5
November	77.9
December	73.0

(4) The supply-demand adjustment factor shall be the figure in the following table opposite the bracket within which the percentage of base supply falls. When the percentage of base supply falls in an interval between brackets, the supply-demand adjustment factor shall be the figure shown for the next higher bracket if the factor for the previous month was based on a bracket higher than such interval, and shall be the figure for the next lower bracket if the factor for the previous month was based on a bracket lower than such interval.

Percentage of base supply: [1]	*Supply-demand adjustment factor*
90.5–91.5	1.06
92.0–93.0	1.05
93.5–94.5	1.04
95.0–96.0	1.03
96.5–97.5	1.02
98.0–99.0	1.01
99.5–100.5	1.00
101.0–102.0	.99
102.5–103.5	.98
104.0–105.0	.97
105.5–106.5	.96
107.0–108.0	.95
108.5–109.5	.94

[1] If the percentage of base supply calculated according to (4) above falls outside the extremes shown in this column, the supply-demand adjustment factor shall be determined by extending the table at the indicated rate of extension.

(d) The seasonal adjustment factor shall be the factor listed below for the month for which the price is being computed.

Month:	*Seasonal adjustment factor*
January and February	1.04
March	1.00
April	.92
May and June	.88
July	.96
August	1.00
September	1.04
October, November and December	1.08

(e) Multiply the Economic Index price determined pursuant to paragraph (b) of this section by the product of the supply-demand adjustment factor determined pursuant to paragraph (c) of this section times the seasonal adjustment factor determined pursuant to paragraph (d) of this section. The New England basic Class I price shall be the price set forth in column 3 of the following table opposite the range within which the result of this computation falls.

Range		New England basic Class I price
At least—	But less than—	
$4.86 [1]	$5.08	$4.97
$5.08	5.30	5.19
$5.30	5.52	5.41
$5.52	5.74	5.63
$5.74	5.96	5.85
$5.96	6.18	6.07
$6.18	6.40	6.29
$6.40	6.62	6.51
$6.62	6.84	6.73
$6.84	[1] 7.06	6.95

[1] If the result of the computation specified in this paragraph is less than $4.86 or is $7.06 or more, the New England basic Class I price shall be determined by extending the table at the indicated rate of extension.

(f) Notwithstanding the provisions of the preceding paragraphs of this section, the New England basic Class I price for November or December of each year shall not be lower than such price for the immediately preceding month.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Issued at Washington, D.C., this 23d day of March 1960, to be effective on and after the 1st day of April 1960.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 60-2814; Filed, Mar. 28, 1960; 8:48 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER C—AIRCRAFT REGULATIONS

[Reg. Docket No. 268; Amdt. 121]

PART 507—AIRWORTHINESS DIRECTIVES

Wright R–1820–103 Engines

A proposal to amend Part 507 of the regulations of the Administrator to include an airworthiness directive requiring modification of Wright R–1820–103 engine master rod assemblies was published in 25 F.R. 1285.

Interested persons have been afforded an opportunity to participate in the making of the amendment. No objections were received.

In consideration of the foregoing § 507.10(a) (14 CFR Part 507), is hereby amended by adding the following new airworthiness directive:

WRIGHT ENGINES. Applies to all Wright R–1820–103 engines installed in helicopters.

Compliance required at first engine overhaul after June 1, 1960, but not later than December 31, 1960.

To alleviate failures of the master rod assemblies, strengthened master and articulating rods with associated parts must be installed in accordance with the instructions contained in Wright Aeronautical Division Service Bulletin No. C9–353.

(Sec. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on March 23, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60–2793; Filed, Mar. 28, 1960; 8:45 a.m.]

[Reg. Docket No. 288; Amdt. 122]

PART 507—AIRWORTHINESS DIRECTIVES

Boeing 707 Aircraft

It has been determined that recent approval of a modification to the landing gear of Boeing 707 aircraft will permit operation of such aircraft without the necessity of certain inspections required in Airworthiness Directive 60–1–1, Amendment 76, Part 507, Regulations of the Administrator, 25 F.R. 335. Also, it has been determined that it is not necessary to disconnect the upper torsion link from the outer cylinder in the 300-hour repetitive inspection required in paragraph (e) of that directive and that a flourescent dye penetrant inspection is an acceptable means to verify removal of defects from the cylinder as required in sub-paragraph (f)(2) thereof.

Therefore, in order to relieve the operators of these aircraft from the unnecessary burden of compliance with the foregoing provisions of AD–60–1–1 (Amendment 76), a revision thereof was adopted on February 19, 1960, and made effective immediately as to all known operators of Boeing 707 aircraft by individual telegrams dated February 19, 1960. For the foregoing reasons the Administrator found that notice and public procedure thereon were unnecessary and that good cause existed for making the directive effective immediately. Since these same conditions exist, it is hereby published as an amendment to § 507.10(a) (14 CFR Part 507) and shall become effective upon the date of its publication in the FEDERAL REGISTER as to all other persons:

Amendment 76, Boeing 707 Series aircraft, as it appeared in 25 F.R. 335 is amended:

1. By deleting reference to (d)(2) in paragraph (c), and by adding "or fluorescent dye penetrant" following "magnetic particle" in subparagraph (f)(2).

2. By adding a new paragraph (h) as follows:

(h) When spacer, P/N 69–11430, is installed between the outer cylinder torsion link lugs (interference fit of 0.001 inch to 0.005 inch) the following inspections may be substituted for the inspections required in (a), (b), (c) and (e) above:

(1) At the time of spacer installation and at intervals of 65 hours time in service thereafter, inspect the area described in (a)(1) above using fluorescent dye penetrant or equivalent. It is not necessary to impose a torsion preload for this inspection.

(2) If cracks are found, perform the rework per (f)(1) above.

(3) Fluorescent dye penetrant inspection is required after rework to verify removal of defects from cylinder.

(4) Cylinders with defects that cannot be removed within the limits in (f)(1) above must be replaced prior to further flight.

(Boeing Service Bulletin No. 717 (R–1) covers this subject.)

This amendment shall become effective upon publication in the FEDERAL REGISTER as to all persons not receiving individual notice by telegram dated February 19, 1960.

(Secs. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on March 23, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60–2794; Filed, Mar. 28, 1960; 8:45 a.m.]

[Reg. Docket No. 272; Amdt. 123]

PART 507—AIRWORTHINESS DIRECTIVES

Boeing 707–100 Series Aircraft

At the time Amendment 79, Part 507, regulations of the Administrator, 25 F.R. 336, was adopted it was estimated that sufficient parts would be available to accomplish the modifications by April 1, 1960. However, it has not been possible for the manufacturer to supply all of the parts kits in time to permit installation by the original compliance date. Therefore, the compliance date is being extended. Also, it has been determined that water booster pump warning lights are not necessary for airworthiness and a placard adjacent to the switch is adequate.

Since this revision to Amendment 79 relieves operators of the burden of installing certain warning lights and provides for an extension of the compliance date, notice and public procedure hereon are unnecessary and the amendment may be made effective upon publication in the FEDERAL REGISTER.

In consideration of the foregoing § 507.10(a), 14 CFR Part 507, is amended as follows:

Amendment 79, Boeing 707–100 Series aircraft, as it appeared in 25 F.R. 336 is revised by changing the compliance statement to read "Compliance required by June 1, 1960." and by deleting item (c) and inserting the following new item (c):

(c) Install an appropriate placard adjacent to the water booster pump switch to specify that this switch is to be turned off after the water pressure lights go out at the end of water injection. This is necessary to avoid damaging the tank mounted water boosted pumps after water runout.

This amendment shall become effective upon date of publication in the FEDERAL REGISTER.

(Sec. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on March 23, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60–2795; Filed, Mar. 28, 1960; 8:45 a.m.]

[Reg. Docket No. 322; Amdt. 124]

PART 507—AIRWORTHINESS DIRECTIVES

Allison 501–D13D and 501–D13E Engines

It is known that at least one Allison Model 501–D13D engine uses the old third stage turbine blade and that other 501–D13D and 501–D13E engines may also have these blades. Due to failures of these blades, certain restriction and inspection procedures must be observed, or redesigned blades may be used.

In the interest of safety the Administrator finds that notice and public procedure hereon are impracticable and that good cause exists for making this amendment effective upon publication in the FEDERAL REGISTER.

In consideration of the foregoing § 507.10(a), (14 CFR Part 507), is hereby amended by adding the following new airworthiness directive:

ALLISON. Applies to Model 501–D13D and 501–D13E engines.

Compliance required within the next 25 hours of operation.

A few cases of third stage turbine blade failures have occurred due to a resonance condition at low speed ground idle. All of these failures to date have resulted in visible damage to fourth stage blades as well as fourth stage vanes. In one case continued operation of an engine with a failed blade resulted in failure of the turbine inlet case-vane case split line bolts.

(a) Aircraft not having operating engine vibration detection equipment must observe the following engine operating restriction and inspection.

(1) Low speed ground idle operation from time all engines are started to stopping all engines at end of flight not to exceed four minutes total time.

(2) Conduct inspection of fourth stage turbine blades at intervals not to exceed 25

hours of operation for indications of damage using adequate light and optical aid.

(b) Aircraft having operating engine vibration detection equipment shall use this equipment to detect any indications above normal and if found, the above inspection of fourth stage turbine blades shall be conducted upon arrival at the next maintenance base. If any damage is discovered as a result of (a) or (b) it is cause for more detailed inspection and/or engine removal.

(c) This restriction will not apply to engines modified in accordance with Allison Commercial Engine Bulletin No. 72–77 by installation of third stage turbine blades P/N 6794773 identified by a stripe of heat and corrosion resistant aluminum polytherm paint ½ inch wide and 4 inches long around contour of the inlet casing clockwise starting at the 1:00 position forward of the terminal block mounting flange.

(Allison Commercial Engine Bulletin No. 72–77 covers the same subject.)

(Sec. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on March 23, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60–2796; Filed, Mar. 28, 1960; 8:45 a.m.]

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

PART 602—ESTABLISHMENT OF CODED JET ROUTES AND NAVIGATIONAL AIDS IN THE CONTINENTAL CONTROL AREA

PART 608—RESTRICTED AREAS

PART 618—HIGH DENSITY AIR TRAFFIC ZONES AND AIRPORTS

Notice to the Public

The purpose of this notice is to advise the public of an editorial change in connection with the promulgation of rules and regulations of the Administrator to the effect that the use of "Amendment Numbers" in Airspace rules and regulations will be discontinued after April 4, 1960.

The Airspace Utilization Division of the Bureau of Air Traffic Management is responsible for preparing Airspace notices of proposed rule making as well as the Airspace rules and regulations of the Administrator, issued under Parts 600, 601, 602, 608, and 618. It has been the practice to identify both categories with an "Airspace Docket Number". In addition, the rules and regulations have been further identified by a separate "Amendment Number".

The Agency has determined that it is no longer necessary to identify Airspace rules and regulations with a separate "Amendment Number" in addition to a separate "Airspace Docket Number".

All communications addressed to the Federal Aviation Agency after April 4, 1960, relating to Airspace notices of proposed rule making and Airspace rules and regulations and applicable to actions pertinent to Parts 600, 601, 602, 608, and 618, should carry only the appropriate Airspace Docket Numbers.

Issued in Washington, D.C., on March 23, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60–2792; Filed, Mar. 28, 1960; 8:45 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Chapter II—Federal Housing Administration, Housing and Home Finance Agency

SUBCHAPTER D—MULTIFAMILY AND GROUP HOUSING INSURANCE

PART 241—COOPERATIVE HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS FOR PROJECT MORTGAGE

PART 243—COOPERATIVE HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS FOR INDIVIDUAL MORTGAGES COVERING PROPERTIES RELEASED FROM LIEN OF PROJECT MORTGAGE

Miscellaneous Amendments

In § 241.7 paragraph (j) is amended to read as follows:

§ 241.7 Maximum mortgage amounts.

* * * * *

(j) *Mortgagor's minimum investment—Sales Projects.* At the time a mortgage executed by a mortgagor of a Sales Project is insured, the mortgagor shall have paid on account of the project at least 1 percent of the Commissioner's estimate of the cost of acquisition of such larger amount as the Commissioner may determine in cash or its equivalent and no part of the amount for working capital specified in § 241.26 may be included in this payment. At the time a mortgage is executed each member or stockholder of the mortgagor shall have paid the amount required by § 243.9(b) of this chapter (Mortgagor's minimum investment). With respect to applications received after January 25, 1960, the mortgagor shall have paid on account of the project at least 3 percent of the Commissioner's estimate of cost of acquisition or such larger amount as the Commissioner may determine, in cash or its equivalent and the amount required by the Commissioner for working capital may be included in the 3 percent payment required by this paragraph only if it has been paid to the mortgagor by the bona fide cooperative members or stockholders of the mortgagor.

In § 241.20 paragraph (c) is amended as follows:

§ 241.20 Eligibility of mortgagors.

* * * * *

(c) With respect to applications received after January 25, 1960, a mortgagor of a Sales Project which is not a consumer cooperative shall be eligible only where the mortgage is to be insured upon completion and the project includes FHA approved community facilities.

Section 241.26 is amended to read as follows:

§ 241.26 Working capital.

The mortgagor shall deposit with the mortgagee or in a depository satisfactory to the mortgagee and under control of the mortgagee, an amount equivalent to not less than 2 percent of the original principal amount of the mortgage (not less than 1 percent if an eligible mortgagor is purchasing an Investor Project or if the mortgage covers Existing Construction). Disbursements from the deposit shall be made only in a manner prescribed by the Commissioner. With respect to applications received after January 25, 1960, no working capital deposit shall be required where the mortgage of a Sales Project is insured upon completion and does not involve insurance of advances.

In § 243.9 paragraph (b) is amended to read as follows:

§ 243.9 Maximum amount of mortgage and mortgagor's minimum investment.

* * * * *

(b) *Mortgagor's minimum investment.* At the time the mortgage is insured the mortgagor shall have paid on account of the property at least 1 percent of the Commissioner's estimate of the cost of acquisition or such larger amount as the Commissioner may determine in cash or its equivalent and no part of the amount required for working capital specified in § 241.26 may be included in the payment required by this paragraph. The mortgagor's cash investment in the mortgagor corporation under the project mortgage may be credited against the amount required by this paragraph. With respect to applications received after January 25, 1960, the mortgagor shall have paid on account of the project at least 3 percent of the Commissioner's estimate of cost of acquisition or such larger amount as the Commissioner may determine, in cash or its equivalent and the amount required by the Commissioner to be paid to the working capital deposit of the mortgagor corporation may be included in the 3 percent payment required by this paragraph only if it has been paid to the mortgagor corporation by the mortgagor as a bona fide cooperative member or stockholder of the mortgagor corporation.

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 213, 64 Stat. 54, as amended; 12 U.S.C. 1715e)

Issued at Washington, D.C., March 22, 1960.

JULIAN H. ZIMMERMAN,
Federal Housing Commissioner.

[F.R. Doc. 60–2824; Filed, Mar. 28, 1960; 8:49 a.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 203—BRIDGE REGULATIONS

San Joaquin River, California

Pursuant to the provisions of section 5 of the River and Harbor Act of August 18, 1894 (28 Stat. 362; 33 U.S.C. 499), § 203.714 governing the operation of drawbridges across San Joaquin River and tributaries, California, is hereby amended with respect to subparagraph (a) (6) to permit closure of the draws to navigation of certain bridges across San Joaquin River, California, to become effective on and after publication in the FEDERAL REGISTER, as follows:

§ 203.714 San Joaquin River and its tributaries, California.

(a) *San Joaquin River.* * * *

(6) *Southern Pacific Company railroad bridge, State of California highway bridges (Mossdale Bridges), and Western Pacific Railroad Company bridge, near Lathrop.* (i) [Revoked]

(ii) The owners of or agencies controlling these bridges will not be required to open the drawspans for the passage of vessels, except in the event of an emergency upstream requiring the use of large floating plant, when the openings shall be accomplished within a reasonable period of time.

(iii) [Revoked]

[Regs., Mar. 14, 1960, 285/91 (San Joaquin River, Calif.)—ENGCW-O] (Sec. 5, 28 Stat. 362; 33 U.S.C. 499)

R. V. LEE,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 60-2791; Filed, Mar. 28, 1960; 8:45 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 28]

COTTON CLASSIFICATION AND MARKET NEWS SERVICES FOR ORGANIZED GROUPS OF PRODUCERS

Proposed Changes in Cotton Improvement Program

Notice is hereby given that the Agricultural Marketing Service is considering amendments to the regulations governing Cotton Classification and Market News Services for Organized Groups of Producers (7 CFR 28.901–28.919), pursuant to authority contained in the Cotton Statistics and Estimates Act, as amended April 13, 1937 (50 Stat. 62; 7 U.S.C. 473 a, b, and c) and the United States Cotton Standards Act, as amended (42 Stat. 1517; 7 U.S.C. 51 et seq.).

The primary purposes of the proposed amendments are to (1) provide a more flexible and broadened plan for cotton improvement for organized groups of producers, (2) simplify procedures for the preparation, processing, and approval of applications from organized groups for the cotton classification and market news services, (3) provide details as to review classification for cotton samples and (4) delete obsolete provisions.

The proposed amendments are as follows:

§ 28.903 [Amendment]

1. The last sentence in § 28.903 would be deleted.

2. Section 28.905 would be amended to read as follows:

§ 28.905 Organized groups.

Groups of producers organized to promote the improvement of cotton may be recognized as such within the meaning of the act if they meet the following requirements:

(a) The organized group is composed of bona fide cotton producers.

(b) The organized group has as its primary purpose the improvement of cotton. Each organized group is encouraged to work with federal and state agencies interested in the improvement of cotton, particularly the Extension Service.

(c) The organized group shall assume responsibility for obtaining, identifying, and shipping samples to be classified and for posting market information furnished to it in accordance with the regulations in this subpart; shall see that samples are drawn, handled, and shipped in accordance with instructions furnished from time to time by representatives of the Director; and shall designate a responsible representative and alternate representative to act for members of the group in matters pertaining to compliance with the regulations in this subpart. Such representative or alternate representative need not be a producer or a member of the group.

§ 28.908 [Amendment]

3. Paragraph (c) of § 28.908 would be amended to read as follows:

(c) *Mechanical sampling.* Samples may be drawn in gins equipped with mechanical samplers approved by the Division and operated according to sampling instructions furnished by the Director or his representatives. Such samples shall be not less than 6 ounces in weight.

4. Sections 28.909 through 28.919 would be deleted and the following substituted therefor:

§ 28.909 Costs.

Costs incident to sampling, tagging, and identification of samples and transporting samples to points of shipment shall be without expense to the Government, but tags and containers for the shipment of samples may be furnished and shipping charges via Post Office Department or duly authorized common carrier paid by the Service. After classification the samples shall become the property of the Government.

CLASSIFICATION

§ 28.910 Classification of samples.

The samples submitted as provided in this subpart shall be classified by employees of the Division and a classification memorandum showing the grade and staple length of each sample according to the official cotton standards of the United States will be mailed or made available to the producer whose name appears on the tag accompanying the sample, or to a representative designated by the producer or the organized group to receive the classification memorandum.

§ 28.911 Review classification.

A producer may request one review classification for each bale of eligible cotton. The fee for review classification is 25 cents per sample. Samples for review classification may be drawn by samplers bonded pursuant to § 28.906, or by samplers at warehouses which issue negotiable warehouse receipts, or by employees of the United States Department of Agriculture. Each sample for review classification shall be taken, handled, and submitted according to § 28.908 and to supplemental instructions issued by the Director or his representatives. Costs incident to sampling, tagging, identification, containers, and shipment for samples for review classification shall be without expense to the Government.

APPLICATIONS

§ 28.912 Applications for service.

Applications for the classing and market news services from organized groups of producers shall be made on forms furnished by the Division. Each application shall include (a) the date; (b) the name and location of the organized group; (c) objectives of the cotton improvement program of the group; (d) the names and post office addresses of the president, representative, and alternate representative of the group; and (e) other information that may be required by the Director.

§ 28.913 Time limitation.

Application shall be filed with an authorized representative of the Division or mailed to such representative within a period of time to be announced by the Division for the receipt of applications for services during the year to which such application relates. To receive consideration, any such application submitted by mail shall have been postmarked before midnight of the last day of such announced period.

§ 28.914 Rejection.

Applications may be rejected for noncompliance with the act or the regulations in this subpart.

§ 28.915 Withdrawal.

An organized group may withdraw its application at any time.

§ 28.916 Renewal.

Applications shall be subject to renewal from year to year in accordance with a procedure to be prescribed by the Director or his authorized representatives.

LIMITATION OF SERVICES

§ 28.917 Limitation of services.

The Director, or his authorized representatives, may suspend, terminate, or withhold cotton classing and market news services to any organized group upon its request, or upon its failure to comply with the act or these regulations.

It is proposed that the changes in regulations would be made effective for applications for cotton classing and market news services submitted by organized groups of producers for the 1960 season.

Any interested person who wishes to submit written data, views, or arguments concerning the proposed amendments may do so by filing them with the Director, Cotton Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C., not later than 15 days after publication of this notice in the FEDERAL REGISTER.

Done at Washington, D.C., this 24th day of March 1960.

ROY W. LENNARTSON,
Deputy Administrator,
Agricultural Marketing Service.

[F.R. Doc. 60-2840; Filed, Mar. 28, 1960; 8:50 a.m.]

[7 CFR Part 903]

[Docket No. AO-10-A24]

MILK IN ST. LOUIS, MO., MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at St. Louis, Missouri, on January 18, 19, 20, 25 and 26, 1960, pursuant to notice thereof issued on December 23, 1959 (24 F.R. 10908).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on March 10, 1960 (25 F.R. 2129; F.R. Doc. 60-2352) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issues on the record of the hearing relate to:

1. Expansion of the marketing area;
2. Modification of the scope of regulation;
3. Changing the provisions with respect to classification, transfer, and allocation;
4. Enlargement of the surplus marketing area;
5. Revision of the Class I price and location adjustments;
6. Revision of the Class II price;
7. Location adjustments to handlers and producers;
8. Provision for direct-delivery differentials;
9. Modification of the provisions with respect to unpriced milk;
10. Adoption of a different seasonal incentive plan;
11. Revision of the payments to cooperative associations; and
12. Administrative changes.

Producers requested that issues numbered 5, 6, and 10 be considered separately so that any amendment action which might be taken could be made effective by April 1, 1960. A handler further requested that issue number 4 be considered as promptly as possible. Accordingly an earlier date was set for the filing of briefs on these issues than on the remaining issues. These four issues will be considered herein and consideration of the other material issues of record will be deferred.

Findings and conclusions. The following findings and conclusions on material issues numbered 4, 5, 6, and 10 are based on evidence presented at the hearing and the record thereof:

4. *Classification of milk transferred or diverted to nonpool plants.* The order should be amended to include the county of Fulton, in the State of Arkansas, as part of the geographic area beyond which transfers of milk and cream are automatically considered as Class I.

Determining the limits of a surplus disposal area is basically a problem of administrative convenience in verifying the utilization of reserve supplies.

The proponent handler has the opportunity to market his reserve milk for manufacturing purposes beyond the area as defined in the order at the present time. It appears appropriate to include Fulton County, Arkansas, in the area since it is administratively feasible to verify utilization at plants located in this county.

5. *Class I price.* The Class I price for St. Louis should be announced at the 30-40 mile zone, it should be established at a fixed differential of 34 cents over the Chicago 55-70 mile zone Class I price, it should be 16 cents higher at plants located within 30 miles of the City Hall in St. Louis (hereinafter referred to as the "city zone"), and it should continue to be subject to a local supply-demand adjustment.

The elimination of location adjustments to handlers and producers at plant in the 0-10, 10-20 and 20-30 mile zones is covered by a suspension of a portion of §§ 903.52 and 903.82 of the order. The other changes in the location adjustments are strictly procedural and do not affect the relative prices paid for milk as between plants at varying distances from the City Hall in St. Louis. This follows from the fact that prices at city zone plants are already 16 cents higher than at plants located in the 30-40 mile zone and those prevailing in more distant zones are also lower than those at the 30-40 mile zone by one cent per 10 miles.

Adoption of a fixed relationship between the St. Louis and Chicago Class I prices will serve two major functions. It will keep the annual level of the St. Louis price in more appropriate relationship to the prices of alternative supplies in the Chicago and Iowa markets. It will also provide a closer seasonal alignment of these prices.

With respect to seasonality, the present St. Louis Class I differentials are 70 cents in the flush production months of April, May and June, $1.45 in the short months of September, October and November and $1.15 in the six intermediate months. In Chicago, the Class I differentials are 70 cents in the flush months of March through June, $1.10 in the months of August through November and 90 cents in the four intermediate months. The result is that St. Louis Class I prices are lowest in relation to Chicago (and to most of the Iowa markets since they reflect the Chicago Class I price) during the flush months and highest during the shortage months. This unduly encourages St. Louis handlers to buy short from local producers and to depend upon Chicago and Iowa markets for supplemental supplies in the fall months.

The appropriate level of the St. Louis Class I price in relation to Chicago can be estimated by two major lines of evidence. One is the historical record of the Class I prices in St. Louis and the level of supplies in relation to Class I sales resulting therefrom. The other is the price at which alternative supplies from other areas might be made available.

In 1959, the St. Louis city zone price averaged $4.31 per hundredweight. This was comprised of a basic formula of $3.04, stated differential of $1.11, and supply-demand adjustment of 17 cents. It also averaged 63 cents over Chicago, ranging from 41 cents over in April to 83 cents over in October. In 1958, it averaged $4.30, comprised of a basic formula of $3.02, the stated differential of $1.11, and a supply-demand adjustment of 17 cents. It also averaged 58 cents over Chicago, ranging from 30 cents over in June to 81 cents over in October. During the calendar year 1958, the supply of producer milk in the St. Louis market averaged only 116 percent of the gross Class I sales by pooled handlers. The percentage ranged from a high of 147 in June to a low of 97 percent in October. In 1959, the calendar year average was 120 percent and the range was from 148 in May to a low of 104 in October.

Alternative sources of supply are a particularly important determinant of the appropriate level of the St. Louis Class I price. In 1959, purchases of approved milk, skim milk, and cream from outside the regular St. Louis supply area totaled 37 million pounds and were equal to 5.4 percent of the quantity of milk received from local producers. These receipts include sales on routes in the area by handlers operating nonpool plants but most of this milk was obtained in bulk form by pool plant operators. In 1958, 39 million pounds were so obtained and were equal to 5.8 percent of the quantity of producer milk.

In 1959, the Waterloo, Iowa, market was the principal source of supplemental milk. Waterloo is 356 miles from St. Louis and hauling costs range from 48 to 53 cents per hundredweight, depending upon regularity and volume. The Class I price at Waterloo is 15 cents over the Chicago Class I price and this plus the transportation costs would result in a cost for milk delivered to St. Louis city plants ranging from 63 to 68 cents per hundredweight over the Chicago Class I price. In addition, plant handling charges probably would be involved, but it is not clear whether these would be more or less than the bulk tank premium and the country station charges which prevail in the St. Louis market.

In 1958 considerable quantities of milk were received from the Cedar Rapids, Iowa market. This is 289 miles distant, with transportation costs for a comparable distance ranging from 44 to 47 cents. The Class I price is also set at Chicago plus 15 cents, yielding a St. Louis equivalent of 59 to 62 cents over the Chicago Class I price. Milk can also be obtained from Chicago pool plants located in Wisconsin, but handling charges on such

milk have commonly been so much higher than from the Iowa points that only comparatively small quantities have been obtained from them in recent years.

It is also conceivable that handlers operating distributing plants subject to other Federal orders might develop route sales in the St. Louis market. For plants subject to the Waterloo or Cedar Rapids orders the above price comparisons would be appropriate with adjustment for the fact that the milk would be transported in bottled form rather than in bulk tankers. It would be expected, therefore, that transportation costs would be somewhat higher than those quoted. Chicago is another possible source of such competition. Chicago city plants are located 295 to 300 miles from St. Louis and the minimum cost of record for hauling bulk milk for such comparable distance would range from 42–45 cents per hundredweight and would be somewhat higher for packaged milk. The Chicago Class I price at city zone plants is 4 cents above the 55–70 mile zone price. This amount, added to the transportation cost would equal a margin of 46 to 49 cents at St. Louis.

It is clear from the above intermarket price comparisons that a stated differential of 50 cents over the Chicago 55–70 mile zone price as proposed by producers is a conservative estimate of the appropriate differential which should exist over any extended period of time. (They also proposed a direct-delivery differential, consideration of which has been deferred to a subsequent decision.) It is also clear that the Chicago and related Iowa markets constitute such an important influence on the St. Louis price that any changes in these prices should be reflected by corresponding changes in the St. Louis Class I price.

An active, independent, supply-demand factor should continue to be used to adjust the St. Louis Class I price. The stated differential over the Chicago Class I price has been established at the level proposed by producers and reflects as closely as possible the transportation costs and other factors affecting the supply and demand for milk in the two markets. However, it is not possible to predict intermarket relationships accurately in all respects and these conditions are subject to change. An independent supply-demand adjustment in St. Louis will operate to reduce the Class I price if the stated differential of 34 cents over Chicago at the 30–40 mile zone proves unduly attractive to either producers or plant operators in the Chicago or Iowa markets or if it stimulates increased supplies on the part of the present St. Louis shippers. On the other hand, to the extent that supplies in St. Louis continue below normal in relation to Class I sales, the supply-demand adjustment will act to raise the St. Louis price.

The annual average normal supply-demand relationship should be raised from the present level, which provides for producer receipts equal to 125 percent of the Class I sales, to 130 percent in order to reflect a more nearly adequate supply of producer milk. As noted above, supplies became more nearly adequate in 1959 than they had been in 1958. However, they were still equal to only 104 percent of Class I sales in October and the market had to rely extensively on supplemental sources to fill Class I requirements.

Changing the St. Louis Class I price at the city zone to Chicago plus 50 cents and raising the supply-demand standard to 130 percent represents an increase of 12 cents per hundredweight from the present Class I formula, assuming that the Chicago supply-demand adjustment remains at its present level of minus 24 cents. The St. Louis basic formula price averaged 3 cents over the Chicago basic formula in 1959 and the stated differential was 21 cents over. Thus, the St. Louis Class I price, exclusive of supply-demand, is currently 48 cents over Chicago, as compared with the 50 cents provided herein. Raising the supply-demand standard by 5 points is equivalent to a 10-cent increase over the prices which would prevail under the present order. (Any increase in the Chicago Class I price would also be reflected in St. Louis under the revised price provisions.)

The fact that supplies have increased in the St. Louis market at Class I prices averaging $4.31 in 1959 and $4.30 in 1958 suggests the possibility that a full supply might be achieved without amendment action, at the lower prices which would then prevail.

One test of this possibility is provided by historical experience. The last time the annual average market supply reached 125 percent of Class I sales was in 1956. This was fully reflected in the supply-demand adjustment and Class I price for 1957. In that year that Class I price averaged $4.26 per hundredweight. It was comprised of a basic formula of $3.14, stated differential of $1.11, and supply-demand adjustment of plus one cent. It averaged 40 cents over the Chicago Class I price. At these price relationships the St. Louis market failed to maintain the same level of supply in relation to Class I sales. In fact, the total quantity of producer milk was 11 million pounds (1.6 percent) less in 1958 than 1957 while gross Class I sales by pooled handlers increased by 18 million pounds (3.2 percent). It is recognized that production and marketing conditions in 1960 are not entirely analogous to those which prevailed in 1957, but this is the closest available historical comparison.

A second test of the possibility of achieving an adequate supply without amending the Class I price is to assess prospective conditions in the next few months. In the absence of price action, there is every prospect that the St. Louis market would have to continue to import milk at prices substantially higher than the local Class I price. Official notice is taken that the ratio of producer receipts to gross Class I sales was 115 percent for the month of January 1960. On the basis of the average seasonal variation during the years 1957, 1958, and 1959, the January utilization was at an annual rate of 128 percent. As soon as this 3-point "excess" is fully reflected in the 12-month supply-demand factor, the St. Louis Class I price at city plants would be only 44 cents over Chicago. The utilization percentage in October, the month of lowest production, would approximate 108 percent and this would still be inadequate for peak day bottling requirements. The necessary supplemental milk would be more costly, delivered to St. Louis, than local Class I milk since 50 cents represents the minimum cost of alternative supplies.

It is concluded that a standard of 130 percent will result in prices which are more likely to achieve an adequate supply of regular producer milk and be in more appropriate relationship to prices in competing markets than the prices resulting from the present standard of 125. If only the usual seasonal changes in utilization occurred during the remainder of 1960 the St. Louis supply-demand adjustment would average plus 4 cents and the St. Louis Class I price at city plants would average 54 cents over Chicago. If the Chicago basic formula price continued to average $3.01, as it did in 1958 and 1959 and the supply-demand adjustment remained at the limit of minus 24 cents, the St. Louis Class I price would average $4.21, as compared with $4.31 in 1959 and $4.30 in 1958.

6. *Class II price.* The Class II price should be increased by 6 cents per hundredweight in the months of August through February.

Under the present order, the Class II price is the basic formula price less the 6 cents for the months of August through February and a butter powder formula price in the flush production months of March through July. The simple average of the monthly Class II prices was $2.92 in 1959 and $2.90 in 1958.

The present Class II price is low in relation to other available measures of the value of milk for manufacturing purposes. The annual average price paid to farmers for 3.5 percent milk at the 12 plants in Wisconsin and Michigan which comprise the "Midwest condenseries" was $3.02 in 1959 and $3.01 in 1958. Also, manufacturing plants in the St. Louis milkshed area have been paying substantial premiums for quality and quantity for many months. Premiums of 15 cents to shippers who cool their milk by mechanical refrigeration and 25 cents for shippers supplying specified volumes are common.

It is appropriate to increase the Class II price in the months of August through February. Class II volumes are seasonally lowest in these months; in 1959 only 40 percent of the total Class II volume was marketed in these seven months and in 1958 only 37 percent. In months when the volume of Class II milk is low, a greater proportion could be expected to be utilized for cottage cheese, ice cream and similar comparatively high valued uses as compared with the flush production months when substantial quantities are commonly manufactured into hard cheese, butter and nonfat dry milk.

10. The order should be amended to provide for a fall production incentive plan commonly known as the "Louisville plan".

Alignment of Class I prices with those of the Chicago market, as provided elsewhere in these findings, has the effect of reducing the seasonal differences in St.

Louis Class I prices compared to those presently provided for in the order. This reduction in the seasonality of the Class I price should be offset by a Louisville plan in order to retain approximately as much incentive to level production as is provided by the present order.

The plan should provide for a reduction of 10 cents per hundredweight in computing the uniform price during each of the months of April, May, June and July. Data of the record show that the ratio of producer receipts to Class I sales during the months of May and June and July were the highest of the year during 1958 and 1959, being 136, 147 and 140 percent in 1958 and 148, 143 and 140 percent for the same months respectively, during 1959. Supplies of producer milk relative to Class I sales have also increased during the month of April from 1958 to 1959. These ratios were 119 percent in 1958 and 123 percent in 1959.

A somewhat higher rate of take-off was proposed to apply for only the three-month period of April, May and June. However, it appears likely that a greater rate of take-off than the amount provided herein could result in the blend prices to producers in the more distant zones being below the blend prices which were paid in these zones during the same period of 1958 and 1959. These blend prices were already close to the level of prices paid by ungraded manufacturing outlets in these distant zones.

It was also proposed that the fall incentive payments be disbursed over the four-month period of September, October, November and December.

Data of record indicates that the ratio of producer receipts to Class I sales was lowest during October, November and December of 1958 and 1959. These ratios were 97, 99 and 98 percent during 1958 and 104, 109 and 110 percent, respectively, during 1959. September on the other hand was 108 percent in 1958 and 117 percent in 1959. It appears more appropriate, therefore, to provide for an increase in the uniform price during each of the months of October, November and December by an amount equal to one-third of such monies deducted during the four-month take-off period. Disbursement of the fall incentive fund during a three-month period will also provide a greater monetary incentive than would result from a four-month disbursement.

A further variation of the Louisville plan entitled "A Uniform Production Incentive Plan" was also considered at the hearing. It involved establishing rates of payback ranging from zero in the case of producers whose daily deliveries in the payback months were below 70 percent of their deliveries in the takeout months, to a maximum payback to those producers whose payback deliveries were equal to or above their takeout deliveries. Determination of an individual producer's fall incentive payment under this method requires rather complicated categorizing of producers and other determinations prior to payment.

One deficiency in the proposal is that not all producers would receive the same reward for making some improvement in the seasonality of their production. For example, those who brought their fall production up from 50 percent of the flush season average to 69 percent would still be in the category which receives no portion of the fall payback.

The success of any fall incentive plan is related to the degree of producer knowledge and acceptance of its operation. Since the "Uniform Production Incentive Plan" was not supported by two cooperatives representing the great majority of shippers serving the market, it is concluded that such an incentive payment plan should not be adopted at this time.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusion are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the St. Louis, Missouri, Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the St. Louis, Missouri, Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of January 1960 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order regulating the handling of milk in the St. Louis, Missouri, marketing area, is approved or favored by producers, as defined under the terms of the order as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Issued at Washington, D.C., this 24th day of March 1960.

CLARENCE L. MILLER,
Assistant Secretary.

Order [1] Amending the Order Regulating the Handling of Milk in the St. Louis, Missouri, Marketing Area

§ 903.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the St. Louis, Missouri, marketing area. Upon the basis of the evidence

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the St. Louis, Missouri, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

1. Delete § 903.43(c)(2) and substitute therefor the following:

(2) The transferee-plant is located within 110 airline miles from the City Hall in St. Louis, Missouri, or in the State of Missouri south of the Missouri River, or in the county of Fulton in the State of Arkansas, and the handler claims Class II on the basis of a utilization mutually indicated in writing to the market administrator by both the handler and the operator of the transferee-plant on or before the 7th day after the end of the delivery period within which such transaction occurred;

2. Revise § 903.51(a) to read as follows:

(a) *Class I milk price.* The Class I price at plants located more than 30 but not more than 40 airline miles from the City Hall in St. Louis shall be equal to the price for Class I milk established under Federal Order No. 41, as amended, regulating the handling of milk in the Chicago, Illinois, marketing area, plus 34 cents, and plus or minus the amounts provided in subparagraphs (1) and (2) of this paragraph.

(1) If the utilization percentage calculated pursuant to subparagraph (2) of this paragraph exceeds 130 subtracts, or if it is less than 130 add, an amount calculated by multiplying the difference between such percentage and 130 by 2 cents.

(2) For each month calculate a utilization percentage by (i) dividing the net pounds of Class I milk disposed of from all pool plants (except non-Grade A milk disposed of outside the marketing area and allocated to other source milk) plus the Class I milk disposed of in the marketing area from nonpool plants, all for the 12-month period ending with the beginning of the preceding month, into the total pounds of producer milk during such 12-month period, (ii) multiplying by 100, (iii) adding or subtracting, respectively, any amount by which such result is greater or less than a comparable 12-month utilization percentage as computed for the third month preceding, and (iv) rounding the resultant figure to the nearest whole percent.

The Class I price at plants located 30 airline miles or less from the City Hall shall be 16 cents more than the Class I price specified above.

3. In § 903.51(b) revise the first sentence to read as follows: "For the months of August through February, the Class II milk price shall be the basic formula price."

4. In § 903.71 renumber present paragraphs (b) to (e), (c) to (f), (d) to (g), (e) to (h) and (f) to (i) and add new paragraphs (b), (c), (d) and (j) to read as follows:

(b) For each of the months of April, May, June and July subtract an amount equal to 10 cents per hundredweight on the total amount of producer milk included in these computations, to be retained in the producer-settlement fund and disbursed according to the provisions of paragraph (c) of this section;

(c) Add during each of the months of October, November and December one-third of the total amount subtracted pursuant to paragraph (b) of this section;

(d) Subtract an amount computed by multiplying the total hundredweight of producer milk received at plants located 30 airline miles or less from City Hall in St. Louis, Missouri, by 16 cents.

(j) The uniform price at plants located 30 airline miles or less from the City Hall in St. Louis, Missouri, shall be 16 cents more than the price specified in paragraph (i) of this section.

5. In § 903.71 delete the phrase "f.o.b. marketing area" and the phrase "f.o.b. the marketing area" and substitute therefor the phrase "at plants located more than 30 but not more than 40 airline miles from the City Hall in St. Louis".

6. In § 903.71(f) (to be redesignated 903.71(i)), change the reference "pursuant to paragraph (e)" to read "pursuant to paragraph (h)".

[F.R. Doc. 60-2822; Filed, Mar. 28, 1960; 8:48 a.m.]

[7 CFR Part 921]

[Docket No. AO-222-A10]

MILK IN OZARKS MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Springfield, Missouri, on January 21, 1960, pursuant to notice thereof issued on December 23, 1959 (24 F.R. 10911).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on March 10, 1960 (25 F.R. 2132: F.R. Doc. 60-2351) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issues on the record of the hearing relate to:

1. Changing the level of the Class I price;

2. Changing the level of the Class II price; and

3. Providing a level production incentive plan.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. *Class I price.* The Ozarks Class I price should be four cents per hundredweight less than the St. Louis Class I price at the 30-40 mile zone in the months of April, May, and June and 11 cents less in the other months of the year.

The milksheds for the two markets overlap almost completely except in the Northwest Arkansas territory. There is also some direct competition between handlers regulated under the two orders but this is much less extensive. As long as the milksheds continue to overlap there will be a strong tendency for the blend prices in the two markets to be equal. The forces at work to equalize blends include the ability of individual producers to shift to the market with the higher blend price, the incentive for plant operators to shift to the market with the higher blend price in order to attract production, and the natural desire of the cooperative with producers and plants in both markets to maximize its returns to members by shifting producers from the lower price into the higher price market and by making out-of-area sales from the lower price market. It is concluded that these blend equalizing forces are so strong that any attempt to raise Ozarks Class I prices significantly in relation to the St. Louis Class I price would be very promptly offset by shifts of supplies and sales. Blend prices would be equal in the two markets but the Ozarks market would have a larger supply in relation to Class I sales and St. Louis a lower supply than previously.

Considerable attention was given to the geography of Class I price relationships. It was emphasized that over a large portion of the United States Class I prices increase in proportion to the distance and cost of transporting milk from Chicago. However, it must be recognized that that portion of the St. Louis milk supply which is obtained from Southwest Missouri has only the same value at St. Louis as milk delivered there from any other source. Also, of course, the hauler must be paid for bringing the milk from Southwest Missouri to the central market and the result is that at Southwest Missouri locations the milk is worth only the St. Louis price less transportation costs. The claimed relation-

ship of Class I prices to Chicago is true in only very general terms; in fact, it is more nearly a limit on Class I prices since if local prices exceed Chicago prices plus freight by a significant amount for extended periods of time, there will be a tendency for local dealers to seek supplies from Chicago or adjacent markets rather than from the local farmers. It should also be recognized that the prices paid to producers delivering milk to Chicago pool plants located east, south, and west of Chicago as well as north of the city are paid the Chicago blend less transportation. Also, it should be recognized that manufacturing milk continues to be produced at approximately the same prices as prevail in Wisconsin, in the Ozarks, in certain regions in the Rocky Mountains and in Pacific Coast States. In such regions, Grade A milk can also be produced at no greater margin over manufacturing returns than prevailed in Chicago and Ozarks milksheds.

For many years the Ozarks Class I price has been equal to the St. Louis 30–40 mile price less 11 cents in all months except April, May, and June. In April, May, and June, the Ozarks price has been the basic formula price plus 63 cents compared with the St. Louis Class I price in the 30–40 mile zone of a similar basic formula price plus 54 cents plus or minus a supply-demand adjustment. In April, May, and June 1959, the St. Louis Class I price averaged $3.70 (including a supply-demand adjustment of plus 21 cents) and the Ozarks Class I price $3.57 while the respective blends were $3.44 and $3.24. In April, May, and June 1958, the St. Louis Class I price at the 30–40 mile zone averaged $3.65 (including an average supply-demand adjustment of plus 11 cents) and the Ozarks $3.63, while the respective blend prices were $3.43 in St. Louis and $3.24 in Ozarks. It will be noted that in 1959 the Ozarks blend was only seven cents lower in relation to St. Louis than the Class I price as compared with a 17-cent difference in 1958.

It is concluded, therefore, that the Ozarks Class I price should be directly related to the St. Louis Class I price in April, May and June as well as in the other months of the year. Any remaining difference in blend prices will then tend to attract milk from the best supplied market to the one where supplies are lowest in relation to Class I sales. The differential of 11 cents in the months of July through March will continue to reflect the cost of transportation from plants in the 140–150 mile zone to St. Louis. The differential of four cents in the months of April, May, and June will bring the Ozarks Class I price more nearly to the St. Louis level than it was in 1959 and will approximately equalize the blends if supplies and sales relationships in the two markets remain the same as they were in 1959.

There was no proposal in the notice of hearing or consideration at the hearing to any change in the present zone differential relationship between the Class I and blend prices in the Northwest Arkansas counties with those prevailing in the remainder of the Ozarks area. Accordingly, no change in such relationship is recommended herein.

2. *Class II price.* The Ozarks Class II price should be increased by six cents per hundredweight during each of the months of March through July. This can be achieved by reducing the make allowance provided in the Class II butter-powder formula computation during these months from 81 cents to 75 cents.

Under the present order the Class II price during the period March through July is computed by a butter-powder formula minus an 81-cent make allowance. Prices so computed during this period appear to have been substantially lower than other available measures of the value of milk for manufacturing purposes.

Local manufacturing plants have in recent years paid premiums for mechanically cooled milk in the amount of 15 cents per hundredweight and production or volume premiums of 25 cents per hundredweight for substantial quantities of ungraded milk on a year round basis. The Producers Creamery Company, a cooperative association which carries on extensive manufacturing operations for surplus Grade A and for manufacturing grade milk in this area, testified that its premium payments based on the volume of milk eligible for such payments, averaged 14 to 15 cents per hundredweight. It was stated that this experience was similar to that of other plants in this area.

Evidence presented indicated that if 15 cents is added to the posted pay prices of the local condenseries, their actual prices paid during the months of March through July of 1959 averaged from $2.91 to $3.01 on the basis of 3.5 percent butterfat content. The present order Class II price at 3.5 percent butterfat averaged $2.74 per hundredweight during the same months of 1959. The average difference, therefore, ranged from 17 to 27 cents per hundredweight over the present order Class II price. During the entire year of 1959 the average announced pay price of various local condenseries plus 15 cents ranged from $2.95 to $3.04 per hundredweight on a 3.5 percent butterfat basis. The Class II price with the change recommended herein would have averaged $2.98 during 1959 on a 3.5 percent butterfat basis.

Operating experience of the Producers Creamery Company indicated that a 75-cent make allowance has been sufficient to meet the cost of processing and shipping butter and powder in a reasonably efficient plant.

In these circumstances, it appears appropriate to provide for the proposed increase in Class II prices during the months when the butter-powder formula is used. This increase will bring order prices for surplus Grade A milk more in line with the actual prices being paid for ungraded milk by local manufacturing plants during these months.

3. *Seasonal incentive plan.* The order should be amended to provide for a fall production incentive plan commonly known as the "Louisville Plan".

Certain Class I pricing provisions recommended for the St. Louis Federal Order No. 3 and other modifications to the Ozarks Class I price, as provided elsewhere in these findings, will have the effect of reducing the seasonality of the Class I differentials as presently provided for in the order. Reduction in the seasonality of the Class I prices should be offset by a Louisville Plan in order to retain approximately as much incentive to level production as is provided in the present order.

There is considerable overlapping of the St. Louis and Ozarks milksheds in the southwestern portion of the State of Missouri. For this reason, the fall production incentive plan as proposed for the Ozarks market should be identical in its provisions as the fall incentive plan recommended for the St. Louis market. Dissimilar provisions could result in uneconomic shifting of producers and disorderly marketing conditions.

The plan should provide for a deduction of 10 cents per hundredweight in computing the uniform price during each of the months of April, May, June, and July. Data of record indicate that the ratio of producer receipts to Class I sales was highest during these months being 154, 188, 186, and 185 percent during 1958 and 142, 174, 175, and 169 percent during 1959. Any higher rate of take-out could reduce blends below those which prevailed during the same period of 1958 and 1959. These prices were already close to the level of prices paid by ungraded manufacturing outlets in the Ozarks area.

It was also proposed that disbursement of the fall incentive fund be made over a four-month period of September through December. Data of record indicate that the ratio of producer receipts to Class I sales during October, November and December 1958 was 103, 108 and 110 percent and in the same months of 1959 was 105, 109, and 117 percent. September was 104 and 114 percent during 1958 and 1959, respectively. In order to provide a greater monetary incentive, it appears more appropriate to increase the uniform price to producers during the three-month period of lowest supplies by an amount equal to one-third of such monies deducted during the four-month take-off period.

It is concluded that the pay-back period should be the months of October, November and December. This pay-back period will be identical with the disbursement period recommended for the St. Louis market.

A further variation of the Louisville plan entitled "A Uniform Production Incentive Plan" was also considered at the hearing. It involved establishing rates of pay-back ranging from zero in the case of producers whose daily deliveries in the pay-back months were below 70 percent of their deliveries in the take-out months, to a maximum pay-back to those producers whose pay-back deliveries were equal to or greater than their take-out deliveries.

This variation was also considered at a hearing held to amend the St. Louis Federal Order No. 3. Since the plan failed to receive the support of two cooperatives representing the great majority of shippers serving the St. Louis market, it was not recommended as an amendment to the order. In view of the close intermarket relationships which exists

between the Ozarks and St. Louis markets, it is of vital importance that the provisions of any fall production incentive plan be identical in both markets. It is concluded, therefore, that the variation in the rate of pay-back as outlined herein should not be adopted in the Ozarks order at this time.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determination previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rules on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the Ozarks Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the Ozarks Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of January, 1960 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order regulating the handling of milk in the Ozarks marketing area, is approved or favored by producers, as defined under the terms of the order as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Issued at Washington, D.C. this 24th day of March 1960.

CLARENCE L. MILLER,
Assistant Secretary.

Order[1] Amending the Order Regulating the Handling of Milk in the Ozarks Marketing Area

§ 921.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Ozarks marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Ozarks marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

1. In § 921.51 delete present paragraph (a) and insert a new paragraph (a) to read as follows:

(a) *Class I milk.* For each of the months of July through March the Class I price shall be the Class I price announced at the 30–40 mile zone for such month under Part 903 of this chapter, regulating the handling of milk in the St. Louis marketing area, minus 11 cents, and for the months of April, May and June the Class I price shall be the Class I price announced at the 30–40 mile zone for such month under Part 903 of this chapter, regulating the handling of milk in the St. Louis marketing area, minus four cents: *Provided,* That 25 cents shall be added to the price for Class I milk at pool plants located in Washington and Benton Counties, Arkansas.

2. In § 921.51(b)(3) delete present subparagraph (3) and insert a new subparagraph (3) to read as follows:

(3) From the sum of the results arrived at under subparagraphs (1) and (2) of this paragraph subtract 75 cents.

3. In § 921.71 renumber present paragraphs (b) to (d), (c) to (e), (d) to (f), (e) to (g), (f) to (h), and (g) to (i) and add new paragraphs (b) and (c) to read as follows:

(b) For each of the months of April, May, June and July subtract an amount equal to 10 cents per hundredweight on the total amount of producer milk included in these computations, to be retained in the producer-settlement fund and disbursed according to the provisions of paragraph (c) of this section;

(c) Add during each of the months of October, November and December one-third of the total amount subtracted pursuant to paragraph (b) of this section;

[F.R. Doc. 60–2821; Filed, Mar. 28, 1960; 8:48 a.m.]

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

[7 CFR Part 934]

[Docket No. AO-316]

HANDLING OF FRESH PEACHES GROWN IN DESIGNATED COUNTIES IN STATE OF WASHINGTON

Notice of Recommended Decision and Opportunity To File Written Exceptions With Respect to a Proposed Marketing Agreement and Order

Pursuant to the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to a proposed marketing agreement and order regulating the handling of fresh peaches grown in designated counties in the State of Washington, to be effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674), hereinafter referred to as the "act." Interested parties may file written exceptions to this recommended decision with the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington 25, D.C., not later than the close of business of the tenth day after publication of this recommended decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The public hearing, on the record of which the proposed marketing agreement and order (hereinafter referred to collectively as the "order") were formulated, was held at Yakima, Washington, on January 28, 1960, and continued at Wenatchee, Washington, on February 1, 1960, pursuant to a notice thereof which was published January 13, 1960, in the FEDERAL REGISTER (25 F.R. 245). Such notice set forth a proposed marketing agreement and order which had been presented to the Department of Agriculture by the Washington State Peach Council, Yakima, Washington, with a petition for a hearing thereon.

Material issues. The material issues presented on the record of the hearing are as follows:

(1) The existence of the right to exercise Federal jurisdiction in this instance;

(2) The need for the proposed regulatory program to effectuate the declared purposes of the act;

(3) The definition of the commodity and determination of the production area to be affected by the order;

(4) The identity of the persons and transactions to be regulated; and

(5) The specific terms and provisions of the order including:

(a) Definition of terms used therein which are necessary and incidental to attain the declared objectives of the act, and including all those set forth in the notice of hearing, among which are those applicable to the following additional terms and provisions;

(b) The establishment, maintenance, composition, powers, duties, and operation of a committee which shall be the administrative agency for assisting the Secretary in administration of the program;

(c) The incurring of expenses and the levying of assessments;

(d) Authority to establish marketing research and development projects;

(e) The method for regulating shipments of peaches grown in the production area;

(f) The provision of exemptions and the establishment of special regulations for peaches handled in certain types of shipments or for certain specified purposes;

(g) The requirement for inspection and certification of peaches handled;

(h) The establishment of reporting requirements for handlers;

(i) The requirement of compliance with all provisions of the order and with regulations issued pursuant thereto; and

(j) Additional terms and conditions as set forth in §§ 934.62 through 934.71 and published in FEDERAL REGISTER (25 F.R. 245) on January 13, 1960, which are common to marketing agreements and orders, and certain other terms and conditions as set forth in §§ 934.72 through 934.74, and also published in the said issue of the FEDERAL REGISTER, which are common to marketing agreements only.

Findings and conclusions. The findings and conclusions on the aforementioned material issues, all of which are based on the evidence adduced at the hearing and the record thereof, are as follows:

(1) Peaches are produced commercially in 35 states and shipped in carlot or carlot equivalents from these states. Peach production in Washington during the past 10 years has ranged from 135,000 bushels in 1950 to 2,200,000 bushels in 1959. The 1959 production constituted 12 percent of the total Freestone peach production from the western states and 4.5 percent of the total Freestone peach production in the United States. Approximately 820,000 bushels of the 1959 crop were sold in fresh market channels. The bulk of the production of the early varieties move into markets which are generally within a radius of about 300 miles of the location where the peaches are produced. Included in the distribution area are such markets as Seattle, Tacoma, and Spokane within the State of Washington, and Portland, Oregon, eastward to Billings and Butte, Montana. The distribution area for midseason and late peaches is much greater. In addition to the aforementioned area, such peaches are marketed in volume in markets in the Midwestern and Northeastern States. Among the more important markets are Minneapolis, St. Paul, Chicago, Washington, Philadelphia, New York, and Boston. Canada is the most important export market for Washington peaches.

Shipments of Washington peaches start about the middle of July and continue for approximately 90 days, or until about October 10. There is an overlapping of shipments from California, Oregon, Idaho, Utah, Colorado, and Michigan during part of July and most of August and September. Such shipments are in competition, at least in some markets, with Washington peaches.

Any handling of Washington peaches in fresh market channels exerts an influence on all other handling of such peaches in fresh form. Sellers of such peaches, as of other commodities, endeavor to transact their business so as to secure maximum returns for the peaches they have for sale. The seller of peaches continually surveys all accessible markets so that he may take advantage of the best possible opportunity to market the fruit. Markets within the State of Washington provide opportunities to dispose of peaches the same as markets within other States, or for export; and the sale of a quantity of peaches in a market within Washington exerts an equal influence on all other sales of peaches as a like quantity sold in another market within any other State. If shipments of peaches to markets outside Washington were regulated, while those within the State were unregulated, growers and handlers would attempt to market within the State all the lower quality peaches which could not be shipped under regulation. This would depress the price of peaches in Washington markets to a level below that prevailing in markets outside the State. The existence of a lower price level for peaches marketed within Washington would tend to depress the price for peaches sold in interstate markets. Buyers generally have ready access to market information; and knowledge of lower prices in one market is used in bargaining for peaches to be shipped into other markets, including those outside the State of Washington. As a case in point, there are business concerns which have retail outlets in Seattle, and also in Minneapolis, Minnesota, and these concerns are well aware of the price situation in both markets. Furthermore, with large quantities of poor quality peaches available for sale in markets within the State of Washington, there would be less opportunity to sell in such markets peaches meeting the requirements of the regulations established. The larger quantity of peaches, which would be required to be sold in interstate markets under such circumstances, would also tend to lower the level of prices in the interstate markets.

Itinerant truckers move substantial quantities of peaches mainly to intrastate markets. It is the general practice throughout the production area that when sales are made to truckers a transportation slip for each load is made out listing the intended destination for such fruit. Such information is more or less voluntarily given and sometimes has been found to be inaccurate. Often the transportation slip will show an intended destination, but the actual disposal of the peaches was in another market. It is more than probable that one should expect below-grade shipments destined for the Seattle-Tacoma area or to Spokane to be diverted to Portland, Oregon, or other markets outside the State, if prices were more favorable there than

in markets within the State of Washington. Under these circumstances, it would be difficult to effect compliance with regulations governing interstate shipments if shipments to markets within the State were unregulated.

Hence, it is concluded that the movement and sale of Washington peaches, whether to a market within the State of Washington or outside thereof, affect prices of all peaches grown in the production area. Therefore, it is hereby found that all handling of such peaches grown in the production area are either in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce; and, except as hereinafter otherwise provided, all handling of peaches grown in the production area should be subject to the authority of the act and of the order.

(2) Except for the 1957 season when unfavorable weather reduced the crop, the production of peaches in the State of Washington since 1950 has been steadily upward. Production has increased from 135,000 bushels in 1950 to 2,200,000 bushels in 1959. In addition to the increase in production, substantial shifts have been made in varieties. Also, considerable new plantings are being made as additional land is brought under irrigation. In North Central Washington, which includes the Wenatchee Valley and adjacent areas, a 1958 peach tree survey made by the Washington State Fruit Commission shows that 42 percent of the peach trees are under 5 years of age.

The importance of the peach in the economy of the production area was stressed. The economy depends almost entirely on the production and handling of fruits. Pruning, thinning, harvesting, and packing of peaches occur at times when labor and facilities are not being utilized for other fruit crops, and thus the peach is important to the efficient use of such factors in the total fruit industry. Peaches are very commonly interplanted with other fruits. In the Yakima area, about 25 percent of the peach trees are interplanted, and in the Wenatchee area about 33 percent of the trees are interplanted.

The season average price for Washington peaches has exceeded the average parity price during three seasons since 1949. However, production during each of these seasons was curtailed, sometimes quite drastically, because of adverse weather. During the other seasons, the season average price has ranged from 52.8 percent to 98.1 percent of the equivalent parity price.

Moreover, there were periods during each marketing season when peaches of particular sizes, qualities, and maturities did not return costs of harvesting and marketing. Prices for peaches are generally high at the beginning of the season, and growers and handlers are anxious to start shipping in order to take advantage of such prices. Likewise, some late maturing varieties develop more desirable size and color than some earlier varieties, and shippers tend to ship such later maturing varieties before they have reached a proper stage of maturity. Under such circumstances, the earliest shipments of each variety often have not been sufficiently mature to give consumers satisfaction. It is believed that consumer dissatisfaction arising from the purchase and consumption of such peaches curtails demand for peaches. It is particularly important in view of the prospective increase in production, which as it develops will have to be absorbed by the market, that the peaches consumers receive are of desirable grade, quality, size, and maturity. Peaches of sizes which are smaller than the normal size range for the particular variety do not develop the flavor and quality characteristics that are desired by consumers. Shipment of such peaches depresses the price for all peaches and contributes to disorderly marketing conditions for the desired sizes and qualities of such fruit. The establishment of regulations with respect to grade, quality, size, and maturity such as are contemplated under the order would provide a method whereby orderly marketing could be promoted. This would tend to effectuate the declared policy of the act.

Handlers have sometimes varied the dimensions of containers presumably in order to gain a competitive advantage over others. The western lug has been altered so frequently that many producers and handlers of peaches consider the term western lug synonymous with "Gypo" lug. These "Gypo" containers are used mainly for shipping peaches to nearby markets, including some out-of-State markets. The difference in dimensions of such containers may be so slight that a smaller container may be substituted for a larger one without customers being aware that it contains 2 or 3 pounds less fruit. The lack of standardized grade, size, quality, and containers has resulted in lack of stability in the marketing of Washington peaches and has tended to alienate buyers and hence to reduce demand and market prices received for Washington peaches.

Prices of Washington peaches and total returns to the growers of such fruit could be augmented by restricting shipments in fresh market channels to peaches of desirable maturity, grade, size, and quality and limiting the containers used in making such shipments. When supplies of peaches are heavy, fruit of inferior grades and qualities, or of undesirable maturity or size, may be sold only at discounts, and, since competition in the marketing of peaches is based to a considerable extent on price, such discount sales tend to depress prices for all peaches being marketed. Restrictions on the shipment of such discounted fruit would, therefore, tend to increase prices for good quality peaches. Moreover, shipments of peaches which are of inferior grade or quality, or of undesirable size or maturity, often do not sell at prices covering even the cash costs of harvesting and marketing. Restrictions on the shipment of such fruit would not only improve the grade, size, and quality of peaches marketed and promote buyer confidence in Washington peaches, but would also improve the average returns to growers by preventing losses incurred through shipment of undesirable fruit. Moreover, the shipment of very poor quality peaches, including culls, immature fruit, extremely small sizes, and deteriorated fruit is rarely ever in the interest of consumers or producers. Peaches of such poor quality are not a value to the consumer because of poor flavor and excessive waste. Shipment of such peaches results in consumer dissatisfaction and destruction of the reputation of quality for Washington peaches. Even when the season average price is above the parity level, it is not in the public interest to ship such poor quality peaches.

Restrictions on the size, capacity, dimensions, and pack of containers used in the marketing of Washington peaches would enable buyers and handlers alike to know the exact quantity of peaches covered by prices quoted and thereby tend to increase trade confidence and stability in the marketing of the fruit.

Therefore, it is concluded that the establishment of the order, providing for the regulation of maturity, grade, size, and quality of shipments of Washington peaches, and for the establishment of uniform containers to be used for such shipments, is necessary to effectuate the declared purposes of the act. Also, the establishment and maintenance in effect of minimum standards of quality and maturity, when prices are above the parity level, will effectuate such orderly marketing of Washington peaches as will be in the public interest. The objective under such order is the tailoring of the supply of peaches available for sale in fresh market channels to the demand in such outlet so that the fruit thus made available to buyers will be packaged uniformly and be of desirable maturity, grade, size, and quality. Such limitations on shipments of Washington peaches should contribute to the establishment of more orderly marketing conditions for such fruit and tend to increase the demand therefor.

(3) The term "peaches" should be defined in the order to identify the commodity to be regulated thereunder. Such term, as used in the order, refers to all varieties of peaches, as hereinafter defined, classified botanically as Prunus persica. Peaches are readily distinguished from other fruits, and the term has a specific meaning to all producers and handlers of the commodity in the production area and to those who purchase and distribute in the receiving markets peaches grown in the production area.

The term "varieties" should be defined in the order, as hereinafter set forth, since it is proposed to provide authority in the order for issuance of separate regulations for different varieties. The principal varieties of peaches grown in the production area are Cardinal, Dixired, Red Haven, Red Globe, Early Hale, Early Elberta, J. H. Hale, and Elberta. Each variety of peaches is a classification or subdivision of Prunus persica and possesses definitive characteristics which serve to distinguish it. Recognition of different varieties of peaches is common throughout the production area and the distributing trade.

A definition of the term "production area" should be incorporated into the

order as a means of delineating the area within which peaches must be grown for the handling thereof to be subject to regulation.

Such term should embrace all of the territory within the counties of Okanogan, Chelan, Kittitas, Yakima, and Klickitat and all of the territory within each of the counties in the State of Washington lying east thereof. Such area includes the Wenatchee and Yakima Valleys within which a large percentage of the commercial crop of Washington peaches is produced. Peaches are produced in most of the counties within the State of Washington. However, most commercial orchards are located in the Yakima and Wenatchee Valleys. A 1958 tree survey shows a total of 954,000 trees in Central Washington. About 75 percent of these or 712,500 trees are located in the Yakima Valley, and 214,700 trees, or 25 percent, are located in the Wenatchee Valley. The census report shows a considerable number of peach trees in a few of the counties, and a few peach trees in some of the counties in the State of Washington west of the summit of the Cascade range. However, most of these trees consists of backyard plantings, and many of them are varieties which are not grown in the production area, and are not considered to be in competition with the Washington commercial peach crop. Moreover, it was testified at the hearing that peaches west of the Cascade range are usually marketed in consumer lots at roadside stands or the customer goes to the orchard and picks the fruit. Also, due to weather, commercialization of the area, or for other reasons, the number and size of such plantings are rapidly diminishing. Consequently, any influence such peaches may exert on the Washington commercial peach crop is expected to become less pronounced. Since there is very little likelihood of commercial orchards being developed in this area in the near future, the area west of the summit of the Cascade range should be excluded from the production area at this time. As mentioned heretofore, a large percentage of the commercial production is confined to the Wenatchee Valley and Yakima Valley. However, the area lying east thereof, in addition to the commercial orchards now in production, contains areas having soil, water conditions, and general weather pattern of such nature to be potential producing acreage. This is evidenced by the increased rate of planting in certain parts of this area. The varieties being planted generally are the same as, and compete with, peaches grown elsewhere in the production area. It is well established that there are areas throughout the production area, because of soil, water, or weather conditions, where peaches are not now or are not likely to be grown. However, it would not be practicable to exclude areas not producing peaches which are within or are adjacent to, the commercial peach production area. To exclude any portion of the production area, as defined, where peaches are now being produced or which is potential production area would tend to defeat the purposes of the order, in that peaches from any such excluded portion which do not meet regulations applicable to regulated fruit could then be marketed free from regulations and thereby depress the prices of the regulated peaches grown in the remainder of such area. Hence, it is concluded that the production area, as hereinafter defined, is the smallest regional production area that is practicable, consistently with carrying out the declared policy of the act.

(4) The term "handler" should be defined in the order to identify the persons who are subject to regulation under the program. Since it is the handling of peaches that is regulated, the term "handler" should apply to all persons who place peaches in commerce by performing any of the activities within the scope of the term "handle," as hereinafter described. In other words, any person who is responsible for the sale, delivery, consignment, or transportation of peaches, or who in any other way places peaches in commerce, should be a handler under the order and be required to carry out such activities in accordance with the order provisions. However, the transportation by a common or contract carrier of peaches owned by another person should not be considered as making such carrier a "handler" as, in such instances, the carrier is performing services for hire and is not responsible for the quality or pack of the commodity. Of course, if the carrier is the owner of the peaches being transported, such carrier would be the handler the same as any other person who may primarily be engaged in another business—such as producer or retailer—but at times is also a handler of peaches.

The term "handle" should be defined to identify those activities that it is necessary to regulate in order to effectuate the declared policy of the act. Such activities include all phases of selling and transporting which place peaches in the channels of commerce within the production area or from the production area to any point outside thereof. The handling of peaches begins at the time the fruit is picked from the trees and includes each of the successive selling and transporting activities until the fruit reaches its final destination. The performance of any one or more of these activities, such as selling, consigning, delivering, or transporting by any person, either directly or through others, should constitute handling. In order to effectuate the declared policy of the act, each such person should be required, except as hereinafter indicated, to limit such handling of peaches to fruit which conforms to the applicable regulations under the order.

There are some sales of peaches on-the-tree. Also, after picking, it is usual for peaches to be sorted, graded, packed, or otherwise prepared for market. Such preparation for market may be performed in the orchard where the fruit is grown or the peaches may be transported to a packinghouse prior to sorting, grading, and packing. The grower, in such instances, properly relies on the person preparing the peaches for market to see that the fruit which is thereafter shipped meets all applicable requirements for marketing. Moreover, such activities are, of necessity, preliminary to placing the peaches in marketing channels. It would not be practical and would unnecessarily complicate the administration of the order to endeavor to require persons engaged in the preparation of peaches for market to meet the requirements of regulations under the program until after such preparation. Therefore, such activities should be excluded from the definition of "handle". Peaches may be sold, after packing, at the orchard where grown, at a roadside stand, or at a packinghouse to truckers and others who transport the peaches from such points to markets within and without the State. The sale or delivery of peaches to such persons, and the subsequent movement to market, are handling transactions. Any person who engaged in any such transaction, whether grower, packinghouse operator, trucker, or others, would therefore be a handler under the order by virtue of such transaction. Each such person should have the responsibility of assuring himself that the peaches he handles meet all applicable regulations in effect at the time of handling. Compliance with the regulations which are authorized by the order can readily be determined by the person who is responsible for grading and otherwise preparing the peaches for market. The primary responsibility for determining whether a particular lot of peaches conforms to the applicable regulations should rest with the person who places such lot in the current of commerce. In most cases, such person will be the one who was responsible for grading and preparing the peaches for market. However, all subsequent handlers also should be responsible for seeing that any regulations applicable to the peaches are met at the time such persons handle the peaches. This can readily be ascertained by determining that the peaches have been inspected and certified as meeting such regulations or by having them inspected. As all handling of peaches is in interstate or foreign commerce, or directly burdens, obstructs, or affects such commerce, it is concluded that, except as indicated herein and as specifically exempted by the act and order, all sales, consignment, delivery, or transportation of peaches within the production area or between the production area and any point outside thereof should be subject to the order and any regulations issued pursuant thereto.

(5) (a) Certain terms applying to specific individuals, agencies, legislation, concepts, or things are used throughout the order. These terms should be defined for the purpose of designating specifically their applicability and establishing appropriate limitations on their respective meanings wherever they are used.

The definition of "Secretary" should include not only the Secretary of Agriculture of the United States, the official charged by law with the responsibility for programs of this nature, but also, in order to recognize the fact that it is physically impossible for him to perform personally all functions and duties im-

posed upon him by law, any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to act in his stead.

The definition of "act" provides the correct legal citations for the statute pursuant to which the proposed regulatory program is to be operative and avoids the need for referring to these citations.

The definition of "person" follows the definition of that term as set forth in the act, and will insure that it will have the same meaning as it has in the act.

The term "fiscal period" should be defined to set forth the period with respect to which financial records of the Washington Fresh Peach Marketing Committee—the agency which will administer the program locally—are to be maintained. At the present time, it is desirable to establish a 12-month period ending March 31 as a fiscal period. Such a period would fix the end of one fiscal period and the beginning of the next at a time of inactivity in the marketing of peaches. This would facilitate fixing the term of office of members and alternates to coincide with such period as it would allow sufficient time prior to the time shipments begin for the committee to organize and develop information necessary to its functioning during the ensuing year, and would still insure that a minimum of expense would be incurred during a fiscal period prior to the time assessment income is available to defray such expenses. However, it was testified that for reasons not now apparent it may be desirable at some future time to establish a fiscal period other than one ending March 31, and that authority should be included in the order to provide for such establishment subject to approval of the Secretary pursuant to recommendations of the committee. Therefore, it is concluded that such term should be defined as hereinafter set forth to provide this flexibility.

A definition of "committee" should be incorporated in the order to identify the administrative agency established under the provisions of the program. Such committee is authorized by the act, and the definition thereof, as hereinafter set forth, is merely to avoid the necessity of repeating its full name each time it is referred to.

Definitions of "grade" and "size" should be incorporated in the order to provide a basis for expressing grade and size limitations thereunder, and thus to enable persons affected thereby to ascertain the extent and application of grade and size limitations. "Grade" should be defined as any one or more of the established grades of peaches as defined and set forth in (1) "United States Standards for Peaches," issued by the United States Department of Agriculture, effective June 15, 1952, which standards were published in the FEDERAL REGISTER (17 F.R. 4473), or (2) Standards for Peaches issued by the State of Washington, or (3) amendments to any grades set forth in either of such standards, or modifications thereof, or variations based thereon. Such definition would provide the flexibility necessary to cope with the possible variations in peaches due to detrimental effects of weather or other possible hazards affecting the crop. The United States Standards and the Washington State Standards have been used by the Washington peach industry for a number of years and therefore provide appropriate bases for describing grade limitations.

Sizes of peaches are commonly referred to in the production area by count, i.e., the number of peaches necessary to fill the container. A size 55 means that there are 55 peaches packed in a standard L.A. lug box. In the case of the standard western box, each package shall be well filled and tightly packed but the contents shall not show excessive or unnecessary bruising because of overfilled packages. In the case of other type boxes which may be place packed or jumble packed faced, all packs shall be well filled. When packed in boxes equipped with cell compartments, molded trays, or individual paper cups, each peach shall be of the proper size for such receptacle in which it is packed. The count sizes used for Washington peaches are 36, 40, 45, 50, 55, 60, 65, and 72.

It was testified at the hearing that such count sizes may refer to different sizes of peaches depending upon the size of the container into which the peaches are packed. Count 60 peaches, for example, packed in a large container would refer to a larger peach than count 60 peaches packed in a small container. A regulation based solely on count size would not be as meaningful as one based on maximum diameter. It was testified at the hearing that there has been no official pronouncement correlating count size with diameter measurements. However, many diameter measurements of the various count sizes have been made in the production area. Much of this information is available for committee use in setting size regulations on the basis of maximum diameter. Therefore, it is concluded that the term "size" should be defined in terms of maximum diameter or such other specifications as may be established by the committee with the approval of the Secretary.

The term "pack" is commonly used throughout the peach trade and refers to a combination of factors relating to the grade, size, quality, and quantity of peaches in a particular type and size of container and to the arrangement and number of peaches within that container. For example, "U.S. No. 1, 60" is considered a specific pack. "U.S. No. 1" describes the grade and "60" means that there are 60 peaches in a standard L.A. lug of such size and so arranged to prevent any appreciable movement of the fruit. Under certain circumstances, it may be desirable to regulate shipments of peaches on the basis of particular grades or sizes, or both, that may be shipped in a specific container or containers and to specify the number of fruits within such container. Hence, it is concluded that pack should be defined as hereinafter set forth.

The term "grower" should be synonymous with "producer" and should be defined to include any person who is engaged, within the production area, in the production of peaches for market and who has a proprietary interest therein. A definition of the term grower is necessary for such determinations as eligibility to vote for, and to serve as, a grower or alternate grower member on the Washington Fresh Peach Marketing Committee and for other reasons. The term "grower" should, therefore, be defined as hereinafter set forth.

"District" should be defined as set forth in the order to provide a basis for the nomination and selection of committee members. The districts (i.e., the geographical divisions of the production area as established and as set forth in the order) represent the best basis which could be devised at this time for providing a fair, adequate, and equitable representation on the committee. The provision for redistricting is desirable because it allows the committee and the Secretary to consider, from time to time, whether the basis for representation on the committee should be changed.

"Export" should be defined in the order to mean to ship peaches to any destination which is not within the 48 contiguous states, or the District of Columbia, of the United States. Shipments of peaches to points outside of the continental United States may be of different grades, sizes, or qualities than those shipped to domestic markets. This results from different market demands as between domestic and other markets. Different or special regulations, or even no regulations, could, therefore, be made effective when warranted, with respect to such shipments out of the United States. It was testified in this connection that, because of the distances involved and characteristics of these markets, a similar situation exists with respect to Alaska and Hawaii and, for the purposes of the order, the term "export" should include shipments of peaches to Alaska and Hawaii.

The term "container" should be defined in the order to mean a box, bag, crate, lug, basket, carton, package, or any other type of receptacle used in the packaging, or handling of peaches. The definition of the term is needed to serve as a basis for differentiation among the various shipping receptacles, in which peaches are sold or move to market, for which different regulations could be applicable.

(b) It is necessary to establish an agency to administer the order locally under and pursuant to the act, as an aid to the Secretary in carrying out the declared policy of the act. The term "Washington Fresh Peach Marketing Committee" is a proper identification of the agency and reflects the character thereof. It should be composed of 12 members, of whom 8 should represent producers and 4 should represent handlers. Alternate members should be provided to act in the place and stead of the members. Such a committee would be large enough to provide representation to all segments of the industry. At the same time, it is of such

size that it can operate effectively and efficiently. The foregoing division of the members between producers and handlers would provide suitable producer representation and handler experience and information. A majority of the committee should consist of producers because the program is designed to benefit producers. The provision for handler members tends to give balance to the committee by providing the handler experience and marketing information necessary to the development of economically sound regulation of peach shipments. Each handler member should be either a handler, an officer, or an employee of a handler, as handlers often are corporations and would be precluded from having representation on the committee unless such persons were authorized to serve as members of the committee. There are also growers in the production area which are corporations and their officers and employees should be similarly eligible for membership on the committee. Two handler members and 4 grower members should represent each of the two districts. Although volume of production of peaches in District 2 is somewhat greater than in District 1, equal representation on State industry committees usually has been provided. Provision to reapportion membership on the committee among districts should be provided so that, if it becomes apparent that through shifts in production, reestablishment of districts, or other reasons such representation is inappropriate, the Secretary may, upon recommendation of the committee, make such reapportionment as he finds necessary.

Each producer or handler member of the committee, and his alternate, should be a producer or handler (or officer or employee of a corporate grower or an officer or employee of a handler), as the case may be, of peaches in the district for which selected. A person with such qualifications should be intimately acquainted with the problems of producing or marketing peaches grown in such district and may be expected to present accurately the problems incident to the production or handling of peaches grown in that district.

The term of office of committee members and alternates under the proposed program should be for two years beginning on the first day of April and continuing until March 31. This will establish an orderly procedure for changing the membership of the committee. The term of office should be for two years so that members and alternates will have adequate time to familiarize themselves with the operation of the program and thus be in a position to render the most effective service assisting the Secretary to carry out the declared policy of the act. The beginning of each term of office will occur during a period prior to the commencement of a marketing season and hence allow adequate time for the committee to organize and start operating.

Provision is made in the order for staggered terms of office of committee members and alternates. Under this provision one-half of the committee in office on March 31 of each year will continue in office until the next year. The establishment of such staggered terms will provide for more efficient administration of the program, in that members and alternates constituting the new half of the committee membership will benefit from the guidance of experienced members who carry over. The experienced members will help insure continuity of the policies and procedures relating to the administration of the proposed order; and continuity should contribute materially to the successful administration of the marketing program. Hence, the terms of office of one-half of the initial committee members and alternates should be from the time of appointment until the following March 31 and of the other half from the time of appointment until the second following March 31. Committee members and alternates should serve during the term of office for which selected, and until their successors are selected and have qualified to insure continuity of committee operations.

A procedure for the election by growers and handlers of nominees for membership on the committee should be prescribed in the order to assist the Secretary in his selection of members and alternate members of the committee. It is recognized that the Secretary is vested with authority under the act to select the committee members; and the nomination of prospective members and alternate members at meetings of growers and handlers in the respective districts is a practical method of providing the Secretary with the names of the persons which the industry desires to serve on the committee.

Nomination meetings for the purpose of electing nominees for members of the committee and their alternates should be held or caused to be held by the committee on or before March 1 of each year. Such date is approximately 4 weeks prior to the end of the fiscal period. By having such nomination meetings not later than March 1 each year, the committee will be in a position to prepare and submit nomination lists to the Secretary in time for the Secretary to select the members and alternate members of the new committee prior to the expiration of the terms of office of the existing committee members.

As the administrative committee will not be in a position to act until after the selection by the Secretary of its initial members, the order should provide a procedure for the selection of the initial members. The Secretary may appropriately select the initial grower and handler committee members and alternates from nominations which may be made by growers and handlers, respectively, or appropriate groups thereof, or from other eligible persons; and the order should so provide. In order that the initial membership of the committee may be selected as soon as possible after the approval of the program, it should be required that such nominations be submitted not later than the effective date thereof.

The order should provide that only growers who are present at the nomination meetings, or corporate growers who are represented at such meetings by duly authorized agents, may participate in designating nominees for grower members and alternates, and only handlers present at nomination meetings or handlers represented at such meetings by duly authorized agents may participate in the nomination of handler members and alternates.

It should be further provided that handler votes for members and alternate members of the committee be weighted by the volume of peaches handled by such handler during the then current fiscal year. This provision is desirable to secure the handler representation on the committee which will be in the best interest of the industry. The evidence of record shows that there is a large number of itinerant truckers who are handlers of peaches. Many of such handlers have no established place of business and little, if any, interest in the welfare of the peach industry. Such handlers often would not make desirable committee members or alternate members because they would not be in a position to provide the broad handler experience and factual market information upon which the committee could formulate economically sound regulations. If handler votes were on the basis of each handler having only one vote, without reference to the volume of peaches handled, the aforementioned handlers could, if they chose to do so, dominate every election because of their superiority in numbers. There are also handlers of peaches who have made considerable investments of time and money and have more permanent connections with and responsibilities to the peach industry. Such handlers are more likely to possess market information and provide handler experience upon which the committee can rely. The testimony shows that this provision is supported in order that the handlers who handle the larger volume may have the greater voice in selection of committee members. It is not the intent of this provision to preclude the right of truckers who are handlers of peaches from being elected to serve as member or alternate member on the committee. It is recognized that some truckers may be extremely interested in the welfare of the peach industry. He may have wide and divergent market experience which would be valuable to the committee. Under this provision, he would be eligible to vote for and serve as handler member or alternate handler member of the committee.

It was testified that each grower and handler should have a similar and equitable voice, except as hereinbefore provided, in the election of nominees. Hence, if a person is qualified to vote both as a grower and a handler, he should select the group with which he wishes to participate. Such persons should not be authorized to vote both as a grower and as a handler because this would enable him to participate in nominations to a greater degree than persons who are growers only or handlers only. Also, each grower and handler should be limited to one vote on behalf of himself, his partners, agents, sub-

sidiaries, affiliates, and representatives, in designating nominees for committee members and alternates regardless of the number of districts in which he produces or handles peaches. If a grower or handler could cast more than one vote by reason of operating in more than one district, such grower or handler would have an advantage in selecting nominees over growers or handlers operating in only one district. Also, if more than one vote was permitted, there is a possibility that large growers or handlers could dominate the elections by means of their partners, agents, subsidiaries, affiliates, and representatives, and nominate growers and handlers not favored by a majority of growers or of handlers. An eligible grower's or handler's privilege of casting only one vote should be construed to mean that one vote may be cast for each applicable position to be filled.

A grower who produces peaches in both districts should be permitted to select the district in which he will vote. He will thus be able to vote for nominees where he believes his best interest lies. Similarly, a handler, who handles peaches both in District 1 and District 2 of the production area, should be permitted to select either one of such districts in which to vote for nominees.

In order that there will be an administrative agency in existence at all times to administer the order, the Secretary should be authorized to select committee members and alternates without regard to nomination if, for any reason, nominations are not submitted to him in conformance with the procedure prescribed herein. Such selection should, of course, be on the basis of the representation provided in the order so that the composition of the committee will at all times continue as prescribed in the order.

Each person selected by the Secretary as a committee member or alternate should qualify by filing with the Secretary a written acceptance of his willingness and intention to serve in such capacity. This requirement is necessary so that the Secretary will know whether or not the position has been filled. Such acceptance should be filed promptly after the notification of appointment so that the composition of the committee will not be delayed unduly.

Provision should be made as set forth in the order for the filling of any vacancies on the committee, including selection by the Secretary without regard to nominations where such nominations are not made as prescribed, in order to provide for maintaining a full membership on the committee.

The committee should be given those specific powers which are set forth in section 8c(7)(C) of the act. Such powers are necessary to enable an administrative agency of this character to function.

The committee's duties, as set forth in the order, are necessary for the discharge of its responsibilities. These duties are generally similar to those specified for administrative agencies under other programs of this character. It is intended that any activities undertaken by the members of the committee will be confined to those which reasonably are necessary for the committee to carry out its responsibilities as prescribed in the program. It should be recognized that these specified duties are not necessarily all inclusive, in that it may develop that there are other duties which the committee may need to perform.

With respect to the provisions set forth in § 934.31(m) providing for redistricting and reapportionment of membership on the committee, such provision is necessary to enable the committee and the Secretary to consider from time to time whether the basis for representation has changed or could be improved and how such improvement should be made. The division of the production area into the two districts set forth in the order is a logical one at the present time from the standpoint of production, and this is the division commonly made by growers, handlers, and State agencies. However, shifts or other changes which may take place in the future due to increased or decreased production cannot be foreseen. Additional land suitable for peach production is being made available within the production area through irrigation. Decreased acreage may result from damage caused by weather hazards. Therefore it is desirable to provide flexibility of operation so that if it should be in the best interests of the administration of the order to change the boundaries of districts, change the number of districts, or reapportion the representation on the committee among districts, the committee may so recommend, and the Secretary may take such action.

At least 8 members of the committee, or alternates acting for members, should be present at any meeting in order for the committee to make any decisions; and all decisions of the committee should require a minimum of 7 concurring votes, except whenever more than 10 members are present at an assembled meeting, such requirement should be at least 8 members. These provisions will assure that all actions of the committee will be considered by at least two-thirds of its membership and approved by a majority of the committee. The order should provide that in the event neither member nor his alternate is able to attend a meeting, such member or the committee may designate any other alternate member from the same district and group who is not acting as a member to serve in such member's place and stead.

In addition to meetings held where the committee is assembled together in one place, the committee should be authorized to hold simultaneous meetings of its members at two or more designated places wherein provision has been made for communication between all such groups and loudspeaker receivers made available so that each member may participate in the discussion and other actions the same as if the committee were assembled in one place. This should encourage attendance at meetings and may possibly facilitate some savings in expense through reduced travel time and distance. Such meeting should be considered as an assembled meeting. The committee should be authorized to vote by telephone, telegraph, or other means of communication when a matter to be considered is so routine that it would be unreasonable to call an assembled meeting or when rapid action is necessary because of an emergency. Any votes cast in this fashion should be confirmed promptly in writing to provide a written record of the votes so cast. In case of an assembled meeting, however, all votes should be cast in person.

It is appropriate that the members and alternates of the committee may receive compensation for the time spent in attending committee meetings. The order authorizes a maximum of $10.00 per day for this purpose, since the time so spent is usually at financial sacrifice to their personal businesses. While the payment of an amount not to exceed $10.00 per day will not, in most cases, fully compensate for the time such members and alternates spend away from their personal businesses, there are producers and handlers in the production area who are willing to represent the industry by serving on the committee regardless of the personal sacrifice involved. The order should also provide for reimbursement of actual out-of-pocket reasonable expenses incurred on committee business since it would be unfair to request the members and alternates to pay for such expenses incurred in the interest of all peach growers and handlers in the production area.

In order for an alternate to adequately represent his district at any committee meeting in place of an absent member, it may be desirable that he should have attended previous meetings along with the member, so as to have a ful understanding of all background discussions leading up to action that may be taken at the meeting. Also, an alternate may, in future years, be selected as a member on the committee; and to this extent, attendance at meetings by alternate members could be helpful. Although only committee members, and alternates acting as members, have authority to vote on actions taken by the committee, it is often important for the committee to obtain as wide a representation as practical of producer and handler attitudes toward a proposed regulation or other matter. Therefore, the order should provide that the committee, at its discretion, may request the attendance of alternate members at any or all meetings, notwithstanding the expected or actual presence of the respective members, when a situation so warrants. The same compensation and reimbursement that are available to members should also be made available to alternate members when they are so requested and attend such meetings as alternates.

Provision should be made in the order whereby each committee will prepare an annual report prior to the end of each fiscal period. Such reports would provide committee members, the industry, and the Secretary with a record of the annual operations of the program and would provide a means for evaluation of the program and the need for any changes therein.

(c) The committee should be authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by it during each fiscal period for maintenance and functioning and for such other purposes as the Secretary may, pursuant to the provisions of the order, determine to be appropriate. The funds to cover the expenses of the committee should be obtained through the levying of assessments on handlers. The act specifically authorizes the Secretary to approve the incurring of such expenses by an administrative agency, such as the Washington Fresh Peach Marketing Committee, and requires that each marketing program of this nature contain provisions requiring handlers to pay pro rata the necessary expenses. Moreover, in order to assure the continuance of the committee, the payment of assessments should be required even if particular provisions of the order are suspended or become inoperative.

Each handler should pay to the committee upon demand with respect to all peaches handled by him as the first handler thereof his pro rata share of such expenses which the Secretary finds are reasonable and likely to be incurred by the committee during each fiscal period. Each handler's share of such expenses should be equal to the ratio between the total quantity of peaches handled by him as the first handler thereof during the applicable fiscal period and the total quantity of peaches so handled by all handlers during the same fiscal period. In this way, payments by handlers of assessments would be proportionate to the respective quantities of peaches handled by each handler and assessments would be levied on the same peaches only once.

In order to provide funds for the administration of this program prior to the time assessment income becomes available during the fiscal period, the committee should be authorized to accept advance payments of assessments from handlers and also, when such action is deemed to be desirable, to borrow money for such purpose. The provision for the acceptance by the administrative agency of advance assessment payments is included in other marketing agreements and orders, and has been found to be a satisfactory and desirable method of providing funds to cover costs of operation prior to the time when assessment collections are being made in an appreciable amount. There was no objection offered at the hearing to indicate that any person was opposed to the proposal for the committee to borrow a limited sum of money each fiscal period. During years of normal growing conditions, revenue available to the committee from assessments would provide the means for the repayment of any such loan. In addition, as hereinafter set forth, provision should be made for increasing the rate of assessment in the event it should develop that due to some unforeseen circumstances the assessment income under the then prevailing rate is not sufficient to cover the expenses incurred.

The committee should be required to prepare a budget at the beginning of each fiscal period, and as often as may be necessary thereafter, showing estimates of income and expenditures necessary for the administration of the proposed order for such period. Each such budget should be presented to the Secretary with an analysis of its components and explanation thereof in the form of a report on such budget. It is desirable that the committee should recommend a rate of assessment to the Secretary which should be designed to bring in during each fiscal period sufficient income to cover authorized expenses incurred by the committee including the accumulation and maintenance of an operating reserve.

The rate of assessment should be established by the Secretary on the basis of the committee's recommendation, or other available information, so as to assure the imposition of such assessments as are consistent with the act. Such rate should be fixed on a fair and equitable unit basis, such as a container, ton, or other quantity measurement.

The Secretary should have the authority, at any time during a fiscal period, or thereafter, to increase the rate of assessment when necessary to obtain sufficient funds to cover any later finding by the Secretary relative to the expenses of the committee applicable to such period. Since the act requires that administrative expenses shall be paid by all handlers pro rata, it is necessary that any increased rate apply retroactively against all peaches handled during the particular fiscal period.

Except as necessary to establish and maintain an operating reserve as set forth in the order, handlers should be entitled to a proportionate refund of any excess assessments which remain at the end of a fiscal period. Such refund should be credited to each such handler against the operations of the following fiscal period so as to provide the committee with operating funds prior to the start of the ensuing shipping season; but, if a handler should demand payment of any such credit, the proportionate refund should be paid to him. However, good business practice requires that any such refund may be applied by the committee first to any outstanding obligations due the committee from any person who has paid in excess of his pro rata share of expenses.

In most years shipment of peaches begins about the middle of July and is completed by the middle of October. The fiscal period starts on April 1, and, therefore, the committee must operate during April, May, June, and the first half of July with no current assessment income. The period just prior to the shipping season will be the period of greatest activity as the committee will be surveying the crop and marketing situation, developing a marketing policy, and holding meetings to develop recommendations for regulations. This means that in all probability at least one-half the committee's expenses will ordinarily be incurred before any current fiscal period income is collected.

An operating reserve is an important instrument for the continued effective operation of the order over a period of years. The production area is very susceptible to hail storms just prior to and during the harvesting period, and to frost damage at the time of bloom and fruit set. Severe freezes during the winter often damage trees and reduce the crop in succeeding years. The assessment rates under the program are set at the beginning of the season for a crop of an estimated volume of shipments. Should crop failure or partial crop failure reduce the crop so that assessment income falls below expenses, it would be necessary for handlers in light of the reduced crop to cover the deficit. When the handlers have already made returns to growers, it would be very difficult for them to obtain from such growers the additional funds required to meet the increase in assessment that would be necessary. It would also constitute an extra burden on the industry to increase the assessment rate after disasters such as these have occurred.

Because of the hazards incident to the production of peaches, and the difficulties thus expected to be encountered in financing operations of the program during some years, it would be desirable to rely on an operating reserve for use during any such year. Evidence presented at the hearing was to the effect that nearly all of the production of peaches is marketed year after year by the same handlers and that it would be equitable to all handlers, and far less burdensome to them, to contribute to the establishment of such an operating reserve during years of normal production rather than to be required to pay a high rate of assessment occasioned by a deficit during a year when the crop is materially reduced. The proposed reserve fund should be built up to the desirable amount as rapidly as possible, since a material reduction of the crop could occur at any time. Discretion should be used, however, so as not to impose excessively high assessments. It was indicated that it would be appropriate, and in keeping with the desires of the industry, to include in the annual budget a specific amount for the reserve fund as well as to use any other excess assessment funds available at the end of a fiscal period for this purpose. In order that such reserve funds not be accumulated beyond a reasonable amount, it was proposed that a limit of approximately one fiscal period's expense be provided. It was shown that such an amount should be sufficient to cover any foreseeable need since some income from assessment may be expected during any year. After the reserve has been built up to that amount, excess assessment income should thereafter be returned to the handlers entitled to refunds in accordance with the provisions of the order. However, in keeping with the need for the reserve fund, whenever any portion of it is used, the full amount withdrawn should be returned to the reserve as soon as assessment income is available for this purpose.

The reserve fund should be used, with the approval of the Secretary, to cover costs of liquidation of the program in the event the order is terminated, as

well as to cover necessary operational costs, such as for salaries and other necessary expenses, during any period when the order, or any of its provisions, should be suspended. It is possible, of course, that the program may be terminated at the end of a fiscal period, or during a year when the production of peaches is relatively light. In such circumstances, it would be burdensome to handlers to require payment of an assessment to cover the liquidation costs. All handlers receive benefits from the program's operation; and, even if a handler ceases handling peaches before the full time of its operation has expired, it would be appropriate and equitable for such handler to share in the expense of liquidation. Should the order provisions be suspended, it is likely such suspension would occur during a period when peach production has been seriously curtailed. It would seem reasonable and proper, therefore, to use the reserve funds to defray any expense of liquidation or any necessary cost of operation during a period of suspension. It is anticipated, of course, that the committee will endeavor to minimize costs in this regard as far as reasonably practicable consistent with the efficient performance of its responsibilities.

Upon termination of the order, any funds in the reserve which are not used to defray the necessary expenses of liquidation should, to the extent practicable, be returned to the handlers from whom such funds were collected. It is apparent, from the evidence of record, that it may not be possible to make an exact distribution of any such funds. Should the order be terminated after many years of operation, and there have been several withdrawals and redeposits in the reserve, the precise equities of handlers may be difficult to ascertain and any requirement that there be a precise accounting of the remaining funds could involve such costs as to nearly equal the monies to be distributed. Therefore, it would be desirable and necessary to permit the unexpended reserve funds to be disposed of in any manner that the Secretary may determine to be appropriate in such circumstances. In view of the foregoing, it is, therefore, concluded that authority should be provided, as hereinafter set forth, to permit the establishment and use of a reserve fund in the manner hereinafter set forth.

Funds received by the committee pursuant to the levying of assessments should be used solely for the purposes of the order. The committee should be required, as a matter of good business practice, to maintain books and records clearly reflecting the true, up-to-date operation of its affairs so that its administration could be subject to inspection at any time by the Secretary. The committee should provide the Secretary with periodic reports at appropriate times, such as at the end of each marketing season or at such other times as may be necessary, to enable him to maintain appropriate supervision and control over the committee's activities and operations. Each member and each alternate, as well as employees, agents, or other persons working for or on behalf of the committee, should be required to account for all receipts and disbursements, funds, property, and records for which they are responsible, should the Secretary at any time ask for such an accounting. Also, whenever any person ceases to be a member or alternate member of the committee, he should similarly be required to account for all funds, property, and other committee assets for which he is responsible and to deliver such funds, property, and other assets to such successor as the Secretary may designate. Such person should also be required to execute assignments and such other instruments which may be appropriate to vest in the successor the right to all such funds and property and all claims vested in such person. This is a matter of good business practice.

(d) The order should provide, as hereinafter set forth, authority for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of peaches.

Through the medium of research investigation, the committee should be able to assemble and evaluate data on growing, harvesting, shipping, marketing, and other factors with respect to peaches which would be of value in determining what regulations should be established, in accordance with the act and the order, for the benefit of the peach industry in the production area. As the committee becomes more aware of the value and need for marketing research and development, other projects will undoubtedly be initiated, the need for which may not have been foreseen during the course of the hearing.

The committee should be empowered to engage in such projects (except advertising and sales and trade promotion projects which are not permitted by the act), to spend assessment funds for them, and to consult and cooperate with appropriate agencies with regard to their establishment. The committee may be limited by the lack of facilities and trained technicians in carrying out any such projects; and it should be authorized to enter into contracts for their development with qualified agencies such as State universities, and public and private agencies. Prior to engaging in any such activities, the committee should, of course, submit to the Secretary for his approval of the plans for each project. Such plans should set forth the details, including the cost and the objectives to be accomplished, so as to insure, among other things, that the projects are within the purview of the act. The cost of any such project should be included in the budget for approval, and such cost should be defrayed by the use of assessment funds as authorized by the act.

(e) The declared policy of the act is to establish and maintain such orderly marketing conditions for peaches, among other commodities, as will tend to establish parity prices therefor, and to establish and maintain such minimum standards of quality and maturity and such grading and inspection requirements as will be in the public interest. The regulation of peach shipments by maturity, grade, size, or quality, or any combination thereof, as authorized in the order, provides a means of carrying out such policy.

In order to facilitate the operation of the program, the committee should each year, and prior to recommending regulation of peach shipments, prepare and adopt a marketing policy for the ensuing marketing season. A report on such policy should be submitted to the Secretary and made available to growers and handlers of peaches. The policy so established would serve to inform the Secretary and persons in the industry, in advance of the marketing of the crop, of the committee's plans for regulation and the basis therefor. Handlers and growers could then plan their operations in accordance therewith. The policy also would be useful to the committee and the Secretary when specific regulatory actions are being considered, since it would provide basic information necessary to the evaluation of such regulation.

In preparing its marketing policy, the committee should give consideration to the supply and demand factors, hereinafter set forth in the order, affecting marketing conditions for peaches since consideration of such factors is essential to the development of an economically sound and practical marketing policy.

The committee should be permitted to revise its marketing policy so as to give appropriate recognition to the latest known conditions when changes in such conditions since the beginning of the season are sufficiently marked to warrant modification of such policy. Such action is necessary if the marketing policy is to appropriately reflect the probable regulatory proposals of the committee and be of maximum benefit to all persons concerned. A report of each revised marketing policy should be submitted to the Secretary and made available to growers and handlers, together with the data considered by the committee in making the revision.

The committee should, as the local administrative agency under the order, be authorized to recommend such maturity, grade, size, and quality regulations, as well as any other regulations and amendments thereto authorized by the order, as will tend to effectuate the declared policy of the act. It is the key to successful operation of the order that the committee should have such responsibility. The Secretary should look to the committee, as the agency reflecting the thinking of the industry, for its views and recommendations for promoting more orderly marketing conditions and increased growers' returns for peaches. The committee should, therefore, have authority to recommend such regulations as are authorized by the order whenever such regulations will, in the judgment of the committee, tend to promote more orderly marketing conditions and effectuate the declared policy of the act.

When conditions change so that the then current regulations do not appear to the committee to be carrying out the declared policy of the act, the committee should have the authority to recommend the amendment, modification, suspen-

sion, or termination of such regulations, as the situation warrants.

The order should authorize the Secretary, on the basis of committee recommendations or other available information, to issue various grade, size, quality, and other appropriate regulations which tend to improve growers' returns and to establish more orderly marketing conditions for peaches. The Secretary should not be precluded from using such information as he may have, and which may or may not be available to the committee for consideration, in issuing such regulations, or amendments or modifications thereof, as may be necessary to effectuate the declared policy of the act. Also, when he determines that any regulation does not tend to effectuate such policy he should have authority to suspend or terminate the regulation, in accordance with the requirements of the act.

The maturity, grade, size, and quality of peaches which are shipped at any particular time have a direct effect on returns to growers. Poorer grades, and less desirable sizes, of peaches marketed return lower prices than do better grades and sizes. A restriction, under the order, of the shipments of peaches of low grade should result in higher returns for the better grades marketed by eliminating the price depressing effect of poor quality peaches.

Evidence presented at the hearing shows that handlers often have shipped in fresh fruit channels immature peaches and peaches of poor grade and quality and of undesirable size. Such peaches may be sold only at discounts, and the returns from such sales often do not cover the cash costs of harvesting and marketing. In addition, such sales have tended to depress the prices for the entire crop, for the particular year, below the level which otherwise would have existed if only peaches of suitable maturity, grade, size, and quality, considering the supply and demand conditions for such fruit, had been available in the markets.

The demand for particular grades, sizes, and qualities of peaches varies depending upon the volume of supplies available, the grade, size, and quality composition of such supplies, the availability of competing commodities, and other factors such as the trend and level of consumer income. The supply conditions for peaches are subject to substantial changes during a particular season as the result of weather conditions affecting the volume and quality of the crop.

The grade, size, and quality composition of the peach crop, and the volume of the available supply for the season as a whole and for any particular period during the season, are important factors which must be considered in establishing regulations. There is generally a sufficient volume of peaches harvested in the production area so that the shipment of only the better grades, sizes, and qualities of peaches to fresh market could fill market demands. Proper maturity is an important factor determining consumer acceptance. Prices for peaches in the production area generally start each season at a high level. This is usually followed by a rapid decline. It was testified that haste to take advantage of high prices early in the season had frequently caused the shipment of immature, excessively small, and poor quality peaches which had resulted in dissatisfaction of consumers; and that such consumer dissatisfaction has been reflected in reduced demand and lowered returns to growers. Therefore, the order should provide for the establishment by the Secretary of regulations by maturity, grade, size, quality, or combinations thereof, based upon limitations recommended by the committee or other available information; and such regulations should cover such period or periods as it is determined is warranted by the anticipated supply and demand conditions. In making its recommendations for such regulations, the committee should consider the heretofore enumerated supply and demand factors. The committee, because of the knowledge and experience of its members, should be well qualified to evaluate such factors and to develop economically sound and practical recommendations for regulations and to advise the Secretary with respect to the supply and demand conditions under which the peach crop will be marketed.

Several different varieties of peaches are grown in the production area. Principal varieties are Cardinal, Dixired, Red Haven, Red Globe, Early Hale, Early Elberta, J. H. Hale, and Elberta. Each variety of peaches has certain characteristics which serve to distinguish it from other varieties.

If it is found that application of the same regulation to several similar varieties would not result in inequities for some such varieties, this practice should be followed. It is contemplated that the same terms of regulation will be made applicable to such red varieties as Cardinal, Dixie Red, and Red Globe, as such varieties apparently have very similar characteristics. However, some varieties are known to have such dissimilar characteristics as to make it impractical to cover all varieties with an identical regulation.

For example, the J. H. Hale and Red Haven varieties on an average are larger in size at maturity than other varieties of peaches grown in the production area. Generally speaking, the nearer a variety comes to reaching its maximum size before picking, the more desirable taste it will have. Moreover, peaches of such varieties are more nearly round than, for example, the Elberta. Hence, the application of a given size (diameter) restriction to the Elberta would be more restrictive than the same size restriction applied to J. H. Hale and Red Haven, because an Elberta of a given weight, due to its oval elongated shape, would not be as large in diameter as a peach of either the J. H. Hale or Red Haven variety. Some varieties of peaches are more highly colored than others. The Red Haven is a very highly colored variety while the Elberta is not. Some varieties develop softness more rapidly than others as they approach maturity, and this fact should be considered in establishing regulations. Authority for establishment of different regulations by variety will permit recognition of these factors. Therefore, because of the differences which exist in varieties, and the fact that application of identical regulations to all varieties may be unnecessarily restrictive for some varieties, it is concluded that the order should provide authority for issuance of different regulations for different varieties. Recognition of different varieties of peaches is common throughout the production area and the distributing trade. Inspection representatives testifying at the hearing said they did not anticipate any difficulty in identification or inspection if different limitations are established for different varieties.

Peaches produced in each of the districts are prepared for market in the district where produced. Weather conditions vary between the two areas, and detrimental weather may adversely affect the peach crop in one district while the crop in the other district may not be so affected. Because of these circumstances, and in order to provide equity among growers and handlers, authority should be provided in the order to permit establishment of different regulations in different districts of the production area.

It is important that the order provide authority for the committee to recommend and the Secretary to fix the size, weight, capacity, dimensions, or pack of the containers which may be used in the packaging or handling of peaches.

The containers generally used in the shipment of peaches are the L.A. lug, the peach flat, and the Western lug. The L.A. lug which has inside dimensions 6½ x 13½ x 16⅛ inches holds about 20 pounds of fruit. The peach lug which has inside dimensions of 4½ x 11½ x 16⅛ inches holds about 16 pounds of peaches. No dimensions were given for the Western lug since such term also is generally used to refer to the many "Gypo" containers. These are several lugs which look alike—are of the same shape, made of the same material, and decorated alike—but actually vary slightly as to width, length, or depth and hold various amounts of fruit. Such containers presumably were developed in an attempt to gain a competitive advantage. They also cause considerable confusion in the buying and selling of peaches. The multiplicity of such containers, and the fact that in many instances they vary so slightly from each other in size and capacity that customers do not realize that the apparent price advantage for a seemingly identical container merely reflects the smaller quantity of fruits, results in disorderly marketing conditions. Standardization of containers to those most suitable for the packing and handling of peaches and prescribing the use of containers of sizes and capacities which can be readily distinguished from each other would tend to establish more orderly marketing conditions and increase growers' returns.

The exercise of the authority to regulate containers, however, should not be used to close the door on experimenting with new containers or to prevent the commercial use of any new or superior containers which may be developed.

The order also should contain authority to regulate the packs of containers, including the authority to restrict the particular grades and sizes of peaches that may be packed in different containers. This would assist the peach industry in the production area in its merchandising efforts to provide the most acceptable packs to enhance trade reputation. At present, the principal packs used for peaches in the production area are the loose pack for nearby markets and the size pack which may be either for local or more distant markets. The size of peaches in the size pack is usually quoted by count, i.e., the number of peaches it takes to fill the container when packed in accordance with good commercial practice. Good commercial practice requires a tight pack which prevents shifting of the fruit in the container, as such shifting bruises or otherwise damages the fruit. When the container is marked to show the number of peaches (count) in the container, it takes that number of peaches of a particular and uniform size to make a tight pack which presents an attractive appearance. Loose packs may be in lidded or unlidded containers. Neither the United States grades nor the Washington State grades make any requirement with respect to uniformity of size within containers unless the numerical count is used to describe the peaches in a container. The authority for pack regulation would enable the committee to prescribe requirements as to uniformity of size apart from grade standards, so as to insure trade confidence with respect to uniformity of size.

Currently, research is being conducted in the development of better types of containers and packs for fruits. Considerable attention has been given to consumer packs. It is contemplated that such packs will be developed and used for peaches. It is essential that authority be included in the order for prescribing pack limitations designed to protect the reputation of packs which are found to be superior, including those for which a demand has been built through research and development. If it is found that the demand for peaches is enhanced in certain containers when a particular manner of arrangement, grade, or size is used, it may be desirable to prescribe the grade, sizes, and method of arrangement which may be used in specified packages. Therefore, it is concluded that the order should contain authorization to so prescribe.

Many foreign countries have restrictions with respect to importation of fruits. For example, Canada, the principal export market for Washington peaches, has container and quality requirements for fruit commodities imported into that country. Such requirements are subject to change. Moreover, certain areas of Canada have demanded a smaller sized peach than that normally desired by our domestic market. Consumers in other export markets may prefer peaches of sizes, grades, or qualities which differ from those desired by consumers in the United States. Hence, the order should include authority to limit the shipments of peaches to export markets to grades, sizes, packs, containers, or combinations thereof, which are different from those permitted to be shipped to the domestic market. Because of the distance and the special market conditions which are similar to export, shipments to the States of Alaska and Hawaii, insofar as this order is concerned, should be considered as exports.

It is not in the public interest to cease regulation when the season average price of peaches exceeds parity. The committee should be authorized to recommend, and the Secretary to establish, such minimum standards of quality and maturity, in terms of grades or sizes, or both, and such grading and inspection requirements, during any and all periods when the season average price for peaches may be above parity, as will effectuate such orderly marketing of peaches as will be in the public interest. Some peaches do not give consumer satisfaction regardless of the price level. Immature peaches, deteriorated peaches, and peaches of very small sizes are examples of the type of fruit that is wasteful and does not represent a value to the consumer and should not be shipped.

The shipment of insufficiently mature peaches or fruit lacking in the quality necessary to assure delivery in satisfactory condition would cause an adverse buyer reaction and would tend to demoralize the market for later shipments of such fruit. Such undesirable fruit has been marketed in the past and undoubtedly would again be marketed in the absence of regulation when the season average price is above parity. Hence, the discontinuance of regulations during seasons when the average price exceeds parity could adversely affect consumers and also result in dissipation of all benefits from the prior operation of the program.

Adverse growing conditions and weather factors may cause some fruit to develop abnormally, or so affect the quality that it would not be in the public interest to permit its shipment. The possible development depends on the conditions in the particular season. It is necessary, therefore, that the provisions of the order contain the flexibility needed to reflect such conditions. Hence, the specific minimum standards of quality and maturity that may be made applicable during a particular year should be established by the Secretary upon the basis of the recommendations of the committee, made after review of the existing conditions that year, or other available information.

(f) The order should provide for the exemption from its provisions of such handling of peaches which it is not necessary to regulate in order to effectuate the declared purposes of the act. Insofar as practicable, such exempted handling should be stated explicitly in the order so that handlers will have knowledge of such handling as is not subject to the provisions of the program.

Peaches which are handled for consumption by charitable institutions, for distribution by relief agencies, or for commercial processing into products have little influence on the level of prices for peaches sold in the domestic and export markets. Hence, peaches handled for such purposes should be exempted from compliance with the regulations issued under the order.

In addition, provision should be made to authorize the committee, with the approval of the Secretary, to exempt the handling of peaches, in such specified small quantities, or types of shipments, or shipments made for such specified purposes as it is not necessary to regulate in order to effectuate the declared purposes of the act. Such authorization is necessary to enable the exemption of such handling as may be determined necessary to facilitate the conduct of research, and handling which is found not feasible administratively to regulate and which does not materially affect marketing conditions in commercial channels. It would be impractical to set forth these exemptions in detail in the order, because to do so would destroy the flexibility which is necessary to reflect conditions affecting the handling of peaches in the production area. Therefore, it should be discretionary with the committee, subject to the approval of the Secretary, whether small quantities or types of shipments, or shipments made for specified purposes, should be exempted from regulation, inspection, and assessments and the period during which such exemptions should be in effect.

It was testified that there are numerous roadside stands throughout the production area engaged in the handling of peaches. Some of these could be classified as grower owned, and sales comprising his own production are made in small lots to customers. Others are grower owned and such grower, in addition to marketing his own production, purchases peaches, and sales include both retail and wholesale quantities. Another classification would be the commercial operator who buys all the peaches he handles and sells either retail or wholesale volume quantities. It is not the intent of this program to prohibit or so to regulate the producer making small-lot sales of his own production at retail through a roadside stand that it would be unduly burdensome to comply with the requirements in effect. Testimony shows that wholesale or truck lot sales at roadside stands affect the price and demand for peaches throughout the production area. Sales of off-grade, low quality, or small size peaches or peaches in Western fruit boxes, or lugs, commonly referred to as "Gypo" containers, have been made in commercial quantities at roadside stands within the production area; and all such sales have a detrimental effect upon the price, demand, and reputation of Washington grown peaches. The sale of peaches at roadside stands in commercial quantities constitutes handling and should be subject to the provisions of this program. Because of the varied operations employed by roadside stands throughout the production area, it was testified that the committee should determine what exemption, if any, should be permitted each individual stand. The committee may wish to require each stand to reg-

ister with the committee, and the committee will then issue such exemption to each stand as is required to carry out the provisions of the order.

The allowance of such exemptions may be found to result in avenues of escape from regulation which, if they are found to exist, should be closed. Hence, the committee should be authorized to prescribe, with the approval of the Secretary, such rules, regulations, and safeguards as are necessary to prevent peaches handled for any of the exempted purposes from entering into regulated channels of trade and thereby tend to defeat the objective of the program. For example, should it be found that a portion of the peaches moving to commercial processors was being diverted to fresh fruit markets, it may be necessary for the committee to establish procedures to govern the movement of fruit for processing even though such peaches do not have to comply with grade, size, quality, and other requirements. These procedures might include such requirements as filing applications for authorization to move peaches in exempted channels and certification by the receiver that such peaches would be used only for the purpose indicated, if it is found that such requirements are necessary to the effective enforcement of the program regulations.

(g) Provision should be made in the order requiring all peaches handled, during any period when handling limitations are effective, to be inspected by the Federal or Federal-State Inspection Service and certified as meeting the requirements of the applicable regulation. Inspection and certification of all peaches handled during periods of regulation are essential to the effective supervision of the regulations. Evidence of compliance with regulations issued under the program can be ascertained only through inspection and certification of all peaches handled during the effective period of such regulations. As the handler of peaches is the person responsible for compliance with such regulations, it is reasonable and necessary to require handlers to submit each lot of peaches handled for inspection and certification and to file a copy of the certificate of inspection with the committee. It was testified that handlers are familiar with the Federal and Federal-State Inspection Service and the certification of peaches in the production area, and the use of such inspection agency under this program is desired by the industry.

Responsibility for obtaining inspection and certification should fall on each person who handles peaches. In this way, not only will the handler who first ships or handles peaches be required to obtain inspection and certification thereof, but also no subsequent handler may handle peaches unless a properly issued inspection certificate, valid pursuant to the terms of the order and applicable regulations thereunder, applies to the shipment. Each handler must bear responsibility for determining that each of his shipments is so inspected and certified.

In instances where any lot of peaches previously inspected is regraded, resorted, repackaged, or in any other way subjected to further preparation for market, such peaches should be required to be inspected following such preparation and certified as meeting the requirements of the applicable regulations before such peaches are handled, since the identity of the lot is lost in such preparation and the validity of the prior inspection certificate and the information shown thereon destroyed.

It was testified at the hearing that there are a few peach orchards, such as the one near Roosevelt and others along the Snake River, which are a great distance, perhaps 80 miles, from established inspection points, or, because of the terrain or other reasons, are extremely inaccessible. For these and perhaps other reasons it would be expensive and impractical to make the inspection at the point where the peaches are prepared for market and are first handled as defined in the order and thus become subject to regulations. Inspection fees are the chief source of income for the Federal-State Inspection Service. For that reason, it is generally not the policy to maintain a year-round staff of the size required for peak load periods. The use of inspection personnel for such isolated inspections, where a large percentage of the time involved is spent in travel, would not utilize such personnel in an efficient manner. The evidence of record shows that, in most instances, peaches from the aforementioned areas, while being transported, either will pass, at least reasonably close to, an established inspection point where inspection is readily available, or will terminate in a market where an inspector is permanently stationed for destination inspections. It was testified at the hearing that, in order to prevent undue hardship and expense to such growers and to permit the more efficient use of inspection personnel, the committee should have the authority to issue rules and regulations, with the approval of the Secretary, to permit growers, who, because of location or other reasons, are determined by the committee to be inaccessible for inspection at the point where the peaches are prepared for market, to have such inspection performed at such location as the committee may specify. The committee should also be authorized to prescribe such safeguards as are necessary to prevent peaches so handled from being marketed in fresh fruit channels without complying with the provisions of the order.

(h) The committee should have the authority, with the approval of the Secretary, to require that handlers submit to the committee such reports and information as may be needed to perform such agency's functions under the order. Handlers have such necessary information in their possession, and the requirement that they furnish such information to the committee in the form of reports would not constitute an undue burden. Moreover, since handlers are the only persons subject to regulation under the program, they are the only persons who could be required to furnish such information. It was pointed out that it is difficult to anticipate every type of report or kind of information which the committee may find necessary in the conduct of its operations under the order. Therefore, the committee should have the authority to request, with approval of the Secretary, reports and information as needed, of the type set forth in the order, and at such times and in such manner as may be necessary.

The Secretary should retain the right to approve, change, or rescind any requests by the committee for information in order to protect handlers from unreasonable requests for reports. Any reports and records submitted for committee use by handlers should remain under protective classification and be disclosed to none other than the Secretary and persons authorized by the Secretary. Under certain circumstances, the release of information with respect to peach shipments may be helpful to the committee and the industry generally in planning for operations under the order during the marketing season. However, none of such reported information should be released other than on a composite basis, and no such release of information should disclose either the identity of handlers or their operations. This is necessary to prevent the disclosure of information which may affect detrimentally the trade or financial position, or the business operations of individual handlers.

Since it is possible that a question could arise with respect to compliance, handlers should be required to maintain for each fiscal period complete records of their receipts, handling, and dispositions of peaches. Such records should be retained for not less than two succeeding years.

(i) Except as provided in the order, no handler should be permitted to handle peaches, the handling of which is prohibited pursuant to the order; and no handler should be permitted to handle peaches except in conformity with the order. If the program is to operate effectively, compliance therewith is essential; and hence, no handler should be permitted to evade any of its provisions. Any such evasion on the part of even one handler could be demoralizing to the handlers who are in compliance and would tend, thereby, to impair the effective operation of the program.

(j) The provisions of §§ 934.62 through 934.71, as hereinafter set forth, are similar to those which are included in other marketing agreements and orders now operating. The provisions of §§ 934.72 through 934.74, as hereinafter set forth, are also included in other marketing agreements now in effect. All such provisions are incidental to and not inconsistent with the act and are necessary to effectuate the other provisions of the recommended marketing agreement and order and to effectuate the declared policy of the act. Testimony at the hearing supports the inclusion of each such provision.

Those provisions which are applicable to both the proposed marketing agreement and the proposed order, identified by section number and heading, are as follows: § 934.62 *Right of the Secretary;* § 934.63 *Effective time;* § 934.64 *Termi-*

nation; § 934.65 *Proceedings after termination;* § 934.66 *Effect of termination or amendment;* § 934.67 *Duration of immunities;* § 934.68 *Agents;* § 934.69 *Derogation;* § 934.70 *Personal liability;* and § 934.71 *Separability.*

Those provisions which are applicable to the proposed marketing agreement only, identified by section number and heading, are as follows: § 934.72 *Counterparts;* § 934.73 *Additional parties;* and § 934.74 *Order with marketing agreement.*

Rulings on proposed findings and conclusions. February 15, 1960, was set by the Presiding Officer at the hearing as the latest date by which briefs would have to be filed by interested parties with respect to facts presented in evidence at the hearing and the conclusions which should be drawn therefrom. No such brief was filed.

General findings. Upon the basis of the evidence introduced at such hearing, and the record thereof, it is found that:

(1) The marketing agreement and order, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The said marketing agreement and order regulate the handling of peaches grown in the production area in the same manner as, and are applicable only to persons in the respective classes of commercial and industrial activity specified in a proposed marketing agreement and order upon which a hearing has been held;

(3) The said marketing agreement and order are limited in their application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act, and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) The said marketing agreement and order prescribe, so far as practicable, such different terms applicable to different parts of the production area as are necessary to give due recognition to the difference in the production and marketing of peaches grown in the production area; and

(5) All handling of peaches grown in the production area as defined in said marketing agreement and order is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

Recommended marketing agreement and order. The following marketing agreement and order [1] are recommended as the detailed means by which the foregoing conclusions may be carried out:

DEFINITIONS

§ 934.1 Secretary.

"Secretary" means the Secretary of Agriculture of the United States, or any officer or employee of the Department to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

[1] The provisions identified with asterisks (***) apply only to the proposed marketing agreement and not to the proposed order.

§ 934.2 Act.

"Act" means Public Act No. 10, 73d Congress (May 12, 1933), as amended and as re-enacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674).

§ 934.3 Person.

"Person" means an individual, partnership, corporation, association, or any other business unit.

§ 934.4 Production area.

"Production area" means the Counties of Okanogan, Chelan, Kittitas, Yakima, and Klickitat in the State of Washington and all of the counties in Washington lying east therof.

§ 934.5 Peaches.

"Peaches" means all varieties of peaches, grown in the production area, classified botanically as Prunus persica.

§ 934.6 Varieties.

"Varieties" means and includes all classifications or subdivisions of Prunus persica.

§ 934.7 Fiscal period.

"Fiscal period" is synonymous with fiscal year and means the 12-month period ending on March 31 of each year or such other period that may be approved by the Secretary pursuant to recommendations by the committee.

§ 934.8 Committee.

"Committee" means the Washington Fresh Peach Marketing Committee established pursuant to § 934.20.

§ 934.9 Grade.

"Grade" means any one of the officially established grades of peaches as defined and set forth in:

(a) United States Standards for Peaches (§§ 51.1210–51.1223 of this title) or amendments thereto, or modifications thereof, or variations based thereon;

(b) Standards for peaches issued by the State of Washington or amendments thereto, or modifications thereof, or variations based thereon.

§ 934.10 Size.

"Size" means the greatest diameter, measured through the center of the peach, at right angles to a line running from the stem to the blossom end, or such other specification as may be established by the committee with the approval of the Secretary.

§ 934.11 Grower.

"Grower" is synonymous with producer and means any person who produces peaches for market and who has a proprietary interest therein.

§ 934.12 Handler.

"Handler" is synonymous with shipper and means any person (except a common or contract carrier transporting peaches owned by another person) who handles peaches.

§ 934.13 Handle.

"Handle" or "ship" means to sell, consign, deliver, or transport peaches within the production area or between the production area and any point outside thereof: *Provided,* That the term "handle" shall not include the transportation within the production area of peaches from the orchard where grown to a packing facility located within such area for preparation for market.

§ 934.14 District.

"District" means the applicable one of the following described subdivisions of the production area, or such other subdivisions as may be prescribed pursuant to § 934.31(m):

(a) "District 1" shall include the Counties of Chelan, Okanogan, Douglas, Grant, Lincoln, Spokane, Ferry, Stevens, and Pend Oreille in the State of Washington.

(b) "District 2" shall include the Counties of Kittitas, Yakima, Klickitat, Benton, Adams, Franklin, Walla Walla, Whitman, Columbia, Garfield, and Asotin in the State of Washington.

§ 934.15 Export.

"Export" means to ship peaches to any destination which is not within the 48 contiguous States, or the District of Columbia, of the United States.

§ 934.16 Pack.

"Pack" means the specific arrangement, size, weight, count, or grade of a quantity of peaches in a particular type and size of container, or any combination thereof.

§ 934.17 Container.

"Container" means a box, bag, crate, lug, basket, carton, package, or any other type of receptacle used in the packaging or handling of peaches.

ADMINISTRATIVE BODY

§ 934.20 Establishment and membership.

There is hereby established a Washington Fresh Peach Marketing Committee consisting of 12 members, each of whom shall have an alternate who shall have the same qualifications as the member for whom he is an alternate. Eight of the members and their respective alternates shall be growers or officers or employees of corporate growers. Four of the members and their respective alternates shall be handlers, or officers or employees of handlers. The 8 members of the committee who are growers or employees or officers of corporate growers are hereinafter referred to as "grower members" of the committee; and the 4 members of the committee who shall be handlers, or officers or employees of handlers, are hereinafter referred to as "handler members" of the committee. Four of the grower members and their respective alternates shall be producers of peaches in District 1, and four of the grower members and their respective alternates shall be producers of peaches in District 2. Two of the handler members and their respective alternates shall be handlers of peaches in District 1, and two of the handler members and their respective alternates shall be handlers of peaches in District 2.

§ 934.21 Term of office.

The term of office of each member and alternate member of the committee shall be for two years beginning April 1 and ending March 31: *Provided,* That the term of office of one-half the initial members and alternates from each district shall end March 31, 1961. Members and alternate members shall serve in such capacities for the portion of the term of office for which they are selected and have qualified and until their respective successors are selected and have qualified.

§ 934.22 Nomination.

(a) *Initial members.* Nominations for each of the initial members of the committee, together with nominations for the initial alternate members for each position, may be submitted to the Secretary by individual growers and handlers. Such nominations may be made by means of group meetings of the growers and handlers concerned in each district. Such nominations, if made, shall be filed with the Secretary, no later than the effective date of this part. In the event nominations for initial members and alternate members of the committee are not filed pursuant to, and within the time specified in, this section, the Secretary may select such initial members and alternate members without regard to nominations, but selections shall be on the basis of the representation provided for in § 934.20.

(b) *Successor members.* (1) The committee shall hold or cause to be held, not later than March 1 of each year, a meeting or meetings of growers and handlers in each district for the purpose of designating nominees for successor members and alternate members of the committee. At each such meeting a chairman and a secretary shall be selected by the growers and handlers eligible to participate therein. The chairman shall announce at the meeting the number of votes cast for each person nominated for member or alternate member and shall submit promptly to the committee a complete report concerning such meeting. The committee shall, in turn, promptly submit a copy of each such report to the Secretary.

(2) Only growers, including duly authorized officers or employees of corporate growers, who are present at such nomination meetings may participate in the nomination and election of nominees for grower members and their alternates. Each grower shall be entitled to cast only one vote for each nominee to be elected in the district in which he produces peaches. No grower shall participate in the election of nominees in more than one district in any one fiscal year. If a person is both a grower and a handler of peaches, such person may vote either as a grower or as a handler but not as both.

(3) Only handlers, including duly authorized officers or employees of handlers, who are present at such nomination meetings, may participate in the nomination and election of nominees for handler members and their alternates. Each handler shall be entitled to cast only one vote for each nominee to be elected in the district in which he handles peaches, which vote shall be weighted by the volume of peaches handled by such handler during the then current fiscal year. No handler shall participate in the election of nominees in more than one district in any one fiscal year. If a person is both a grower and a handler of peaches, such person may vote either as a grower or as a handler but not as both.

§ 934.23 Selection.

From the nominations made pursuant to § 934.22, or from other qualified persons, the Secretary shall select the 8 grower members of the committee, the 4 handler members of the committee, and an alternate for each such member.

§ 934.24 Failure to nominate.

If nominations are not made within the time and in the manner prescribed in § 934.22, the Secretary may, without regard to nominations, select the members and alternate members of the committee on the basis of the representation provided for in § 934.20.

§ 934.25 Acceptance.

Any person selected by the Secretary as a member or as an alternate member of the committee shall qualify by filing a written acceptance with the Secretary promptly after being notified of such selection.

§ 934.26 Vacancies.

To fill any vacancy occasioned by the failure of any person selected as a member or as an alternate member of the committee to qualify, or in the event of the death, removal, resignation, or disqualification of any member or alternate member of the committee, a successor for the unexpired term of such member or alternate member of the committee shall be nominated and selected in the manner specified in §§ 934.22 and 934.23. If the names of nominees to fill any such vacancy are not made available to the Secretary within a reasonable time after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations, which selection shall be made on the basis of representation provided for in § 934.20.

§ 934.27 Alternate members.

An alternate member of the committee, during the absence or at the request of the member for whom he is an alternate, shall act in the place and stead of such member and perform such other duties as assigned. In the event of the death, removal, resignation, or disqualification of a member, his alternate shall act for him until a successor for such member is selected and has qualified. In the event both a member of the committee and his alternate are unable to attend a committee meeting, the member or the committee may designate any other alternate member from the same district and group (handler or grower) to serve in such member's place and stead.

§ 934.30 Powers.

The committee shall have the following powers:

(a) To administer the provisions of this part in accordance with its terms;

(b) To receive, investigate, and report to the Secretary complaints of violations of the provisions of this part;

(c) To make and adopt rules and regulations to effectuate the terms and provisions of this part; and

(d) To recommend to the Secretary amendments to this part.

§ 934.31 Duties.

The committee shall have, among others, the following duties:

(a) To select a chairman and such other officers as may be necessary, and to define the duties of such officers;

(b) To appoint such employees, agents, and representatives as it may deem necessary, and to determine the compensation and to define the duties of each;

(c) To submit to the Secretary as soon as practicable after the beginning of each fiscal period a budget for such fiscal period, including a report in explanation of the items appearing therein and a recommendation as to the rate of assessment for such period;

(d) To keep minutes, books, and records which will reflect all of the acts and transactions of the committee and which shall be subject to examination by the Secretary;

(e) To prepare periodic statements of the financial operations of the committee and to make copies of each such statement available to growers and handlers for examination at the office of the committee;

(f) To cause its books to be audited by a competent accountant at least once each fiscal year and at such time as the Secretary may request;

(g) To act as intermediary between the Secretary and any grower or handler;

(h) To investigate and assemble data on the growing, handling, and marketing conditions with respect to peaches;

(i) To submit to the Secretary such available information as he may request;

(j) To notify producers and handlers of all meetings of the committee to consider recommendations for regulations;

(k) To give the Secretary the same notice of meetings of the committee as is given to its members;

(l) To investigate compliance with the provisions of this part;

(m) With the approval of the Secretary, to redefine the districts into which the production area is divided, and to reapportion the representation of any district on the committee: *Provided,* That any such changes shall reflect, insofar as practicable, shifts in peach production within the districts and the production area.

§ 934.32 Procedure.

(a) Eight members of the committee, including alternates acting for members, shall constitute a quorum; and any action of the committee shall require the concurring vote of at least seven members: *Provided,* That whenever more than 10 members are present at an assembled meeting, such requirement shall be at least 8 members.

(b) The committee may provide for simultaneous meetings of groups of its members assembled at two or more designated places: *Provided,* That such meetings shall be subject to the establishment of communication between all such groups and the availability of loud speaker receivers for each group so that each member may participate in the discussions and other actions the same as if the committee were assembled in one place. Any such meeting shall be considered as an assembled meeting.

(c) The committee may vote by telegraph, telephone, or other means of communication, and any votes so cast shall be confirmed promptly in writing: *Provided,* That if an assembled meeting is held, all votes shall be cast in person.

§ 934.33 Expenses and compensation.

The members of the committee, and alternates when acting as members, shall be reimbursed for expenses necessarily incurred by them in the performance of their duties under this part and may also receive compensation, as determined by the committee, which shall not exceed $10.00 per day or portion thereof spent in performing such duties: *Provided,* That at its discretion the committee may request the attendance of one or more alternates at any or all meetings, notwithstanding the expected or actual presence of the respective members, and may pay expenses and compensation, as aforesaid.

§ 934.34 Annual report.

The committee shall, prior to the last day of each fiscal period, prepare and mail an annual report to the Secretary and make a copy available to each handler and grower who requests a copy of the report. This annual report shall contain at least: (a) A complete review of the regulatory operations during the fiscal period; (b) an appraisal of the effect of such regulatory operations upon the peach industry; and (c) any recommendations for changes in the program.

EXPENSES AND ASSESSMENTS

§ 934.40 Expenses.

The committee is authorized to incur such expenses as the Secrtary finds are reasonable and likely to be incurred by the committee for its maintenance and functioning and to enable it to exercise its powers and perform its duties in accordance with the provisions of this part during each fiscal period. The funds to cover such expenses shall be acquired by the levying of assessments as prescribed in § 934.41.

§ 934.41 Assessments.

(a) Each person who first handles peaches shall, with respect to the peaches so handled by him, pay to the committee upon demand such person's pro rata share of the expenses which the Secretary finds will be incurred by the committee during each fiscal period. Each such person's share of such expenses shall be equal to the ratio between the total quantity of peaches handled by him as the first handler thereof during the applicable fiscal period and the total quantity of peaches so handled by all persons during the same fiscal period. The payment of assessments for the maintenance and functioning of the committee may be required under this part throughout the period it is in effect irrespective of whether particular provisions thereof are suspended or become inoperative.

(b) The Secretary shall fix the rate of assessment to be paid by each such person. At any time during or after the fiscal period, the Secretary may increase the rate of assessment in order to secure sufficient funds to cover any later finding by the Secretary relative to the expenses which may be incurred. Such increase shall be applied to all peaches handled during the applicable fiscal period. In order to provide funds for the administration of the provisions of this part during the first part of a fiscal period before sufficient operating income is available from assessments on the current year's shipments, the committee may accept the payment of assessments in advance, and may also borrow money for such purpose.

§ 934.42 Accounting.

(a) If, at the end of a fiscal period, the assessments collected are in excess of expenses incurred, such excess shall be accounted for as follows:

(1) Except as provided in subparagraphs (2) and (3) of this paragraph, each person entitled to a proportionate refund of any excess assessment shall be credited with such refund against the operation of the following fiscal period unless such person demands repayment thereof, in which event it shall be paid to him: *Provided,* That any sum paid by a person in excess of his pro rata share of the expenses during any fiscal period may be applied by the committee at the end of such fiscal period to any outstanding obligations due the committee from such person.

(2) The committee, with the approval of the Secretary, may establish and maintain during one or more fiscal years an operating monetary reserve in an amount not to exceed approximately one fiscal year's operational expenses. Upon approval of the Secretary, funds in such reserve shall be available for use by the committee for all expenses authorized pursuant to § 934.40.

(3) Upon termination of this part, any funds not required to defray the necessary expenses of liquidation shall be disposed of in such manner as the Secretary may determine to be appropriate: *Provided,* That to the extent practical, such funds shall be returned pro rata to the persons from whom such funds were collected.

(b) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purposes specified in this part and shall be accounted for in the manner provided in this part. The Secretary may at any time require the committee and its members to account for all receipts and disbursements.

(c) Upon the removal or expiration of the term of office of any member of the committee, such member shall account for all receipts and disbursements and deliver all property and funds in his possession to his successor in office, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor full title to all of the property, funds, and claims vested in such member pursuant to this part.

RESEARCH

§ 934.45 Marketing research and development.

The committee, with the approval of the Secretary, may establish or provide for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of peaches. The expense of such projects shall be paid from funds collected pursuant to § 934.41.

REGULATIONS

§ 934.50 Marketing policy.

(a) Each season prior to making any recommendations pursuant to § 934.51, the committee shall submit to the Secretary a report setting forth its marketing policy for the ensuing season. Such marketing policy report shall contain information relative to:

(1) The estimated total production of peaches within the production area;

(2) The expected general quality and size of peaches in the production area and in other areas;

(3) The expected demand conditions for peaches in different market outlets;

(4) The expected shipments of peaches produced in the production area and in areas outside the production area;

(5) Supplies of competing commodities;

(6) Trend and level of consumer income;

(7) Other factors having a bearing on the marketing of peaches; and

(8) The type of regulations expected to be recommended during the season.

(b) In the event it becomes advisable, because of changes in the supply and demand situation for peaches, to modify substantially such marketing policy, the committee shall submit to the Secretary a revised marketing policy report setting forth the information prescribed in this section. The committee shall publicly announce the contents of each marketing policy report, including each revised marketing policy report, and copies thereof shall be maintained in the office of the committee where they shall be available for examination by growers and handlers.

§ 934.51 Recommendations for regulation.

(a) Whenever the committee deems it advisable to regulate the handling of any variety or varieties of peaches in the manner provided in § 934.52, it shall so recommend to the Secretary.

(b) In arriving at its recommendations for regulation pursuant to paragraph (a) of this section, the committee shall give consideration to current information with respect to the factors affecting the supply and demand for peaches during the period or periods when it is proposed that such regulation

should be made effective. With each such recommendation for regulation, the committee shall submit to the Secretary the data and information on which such recommendation is predicated and such other available information as the Secretary may request.

§ 934.52 Issuance of regulations.

(a) The Secretary shall regulate, in the manner specified in this section, the handling of peaches whenever he finds, from the recommendations and information submitted by the committee, or from other available information, that such regulations will tend to effectuate the declared policy of the act. Such regulations may:

(1) Limit, during any period or periods, the shipments of any particular grade, size, quality, maturity, or pack, or any combination thereof, of any variety or varieties of peaches grown in any district or districts of the production area;

(2) Limit the shipment of peaches by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity during any period when season average prices are expected to exceed the parity level;

(3) Fix the size, capacity, weight, dimensions, or pack of the container, or containers, which may be used in the packaging or handling of peaches.

(4) Prescribe requirements, as provided in this paragraph, applicable to exports of any variety of peaches which are different from those applicable to the handling of the same variety to other destinations.

(b) The committee shall be informed immediately of any such regulation issued by the Secretary, and the committee shall promptly give notice thereof to growers and handlers.

§ 934.53 Modification, suspension, or termination of regulations.

(a) In the event the committee at any time finds that, by reason of changed conditions, any regulations issued pursuant to § 934.52 should be modified, suspended, or terminated, it shall so recommend to the Secretary.

(b) Whenever the Secretary finds, from the recommendations and information submitted by the committee or from other available information, that a regulation should be modified, suspended, or terminated with respect to any or all shipments of peaches in order to effectuate the declared policy of the act, he shall modify, suspend, or terminate such regulation. On the same basis and in like manner the Secretary may terminate any such modification or suspension. If the Secretary finds that a regulation obstructs or does not tend to effectuate the declared policy of the act, he shall suspend or terminate such regulation. On the same basis and in like manner the Secretary may terminate any such suspension.

§ 934.54 Special purpose shipments.

(a) Except as otherwise provided in this section, any person may, without regard to the provisions of §§ 934.41, 934.52, 934.53, and 934.55, and the regulations issued thereunder, handle peaches (1) for consumption by charitable institutions; (2) for distribution by relief agencies; or (3) for commercial processing into products.

(b) Upon the basis of recommendations and information submitted by the committee, or from other available information, the Secretary may relieve from any or all requirements, under or established pursuant to § 934.41, § 934.52, § 934.53, or § 934.55, the handling of peaches in such minimum quantities, in such types of shipments, or for such specified purposes (including shipments to facilitate the conduct of marketing research and development projects established pursuant to § 934.45), as the committee, with approval of the Secretary, may prescribe.

(c) The committee shall, with the approval of the Secretary, prescribe such rules, regulations, and safeguards as it may deem necessary to prevent peaches handled under the provisions of this section from entering the channels of trade for other than the specific purposes authorized by this section. Such rules, regulations, and safeguards may include the requirements that handlers shall file applications and receive approval from the committee for authorization to handle peaches pursuant to this section, and that such applications be accompanied by a certification by the intended purchaser or receiver that the peaches will not be used for any purpose not authorized by this section.

§ 934.55 Inspection and certification.

Whenever the handling of any variety of peaches is regulated pursuant to § 934.52 or § 934.53, each handler who handles peaches shall, prior thereto, cause such peaches to be inspected by the Federal or Federal-State Inspection Service, and certified by it as meeting the applicable requirements of such regulation: *Provided,* That inspection and certification shall be required for peaches which previously have been so inspected and certified only if such peaches have been regraded, resorted, repackaged, or in any other way further prepared for market. Promptly after inspection and certification, each such handler shall submit, or cause to be submitted, to the committee a copy of the certificate of inspection issued with respect to such peaches. The committee may, with the approval of the Secretary, prescribe rules and regulations modifying the inspection requirements of this section as to time and place such inspection shall be performed whenever it is determined it would not be practical to perform the required inspection at a particular location: *Provided,* That all such shipments shall comply with all regulations in effect.

REPORTS

§ 934.60 Reports.

(a) Upon request of the committee, made with the approval of the Secretary, each handler shall furnish to the committee, in such manner and at such time as it may prescribe, such reports and other information as may be necessary for the committee to perform its duties under this part. Such reports may include, but are not necessarily limited to, the following: (1) The quantities of each variety of peaches received by a handler; (2) the quantities disposed of by him, segregated as to the respective quantities subject to regulation and not subject to regulation; (3) the date of each such disposition and the identification of the carrier transporting such peaches, and (4) the destination of each shipment of such peaches.

(b) All such reports shall be held under appropriate protective classification and custody by the committee, or duly appointed employees thereof, so that the information contained therein which may adversely affect the competitive position of any handler in relation to other handlers will not be disclosed. Compilations of general reports from data submitted by handlers are authorized, subject to the prohibition of disclosure of individual handler's identities or operations.

(c) Each handler shall maintain for at least two succeeding years such records of the peaches received, and of peaches disposed of, by such handler as may be necessary to verify reports pursuant to this section.

MISCELLANEOUS PROVISIONS

§ 934.61 Compliance.

Except as provided in this part, no person shall handle peaches the shipment of which has been prohibited by the Secretary in accordance with the provisions of this part; and no person shall handle peaches except in conformity with the provisions and the regulations issued under this part.

§ 934.62 Right of the Secretary.

The members of the committee (including successors and alternates), and any agents, employees, or representatives thereof, shall be subject to removal or suspension by the Secretary at any time. Each and every regulation, decision, determination, or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the committee shall be deemed null and void, except as to acts done in reliance thereon or in accordance therewith prior to such disapproval by the Secretary.

§ 934.63 Effective time.

The provisions of this part and of any amendments thereto shall become effective at such time as the Secretary may declare above his signature, and shall continue in force until terminated in one of the ways specified in § 934.64.

§ 934.64 Termination.

(a) The Secretary may at any time terminate the provisions of this part by giving at least one day's notice by means of a press release or in any other manner in which he may determine.

(b) The Secretary shall terminate or suspend the operation of any and all of the provisions of this part whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(c) The Secretary shall terminate the provisions of this part at the end of any fiscal period whenever he finds that continuance is not favored by the majority of producers who, during a representative period determined by the Secretary, were engaged in the production area in the production of peaches for market in fresh form: *Provided,* That such majority has produced for market during such period more than 50 percent of the volume of peaches produced for fresh market in the production area; but such termination shall be effective only if announced on or before March 31 of the then current fiscal period.

(d) The provisions of this part shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

§ 934.65 Proceedings after termination.

(a) Upon the termination of the provisions of this part, the committee shall, for the purpose of liquidating the affairs of the committee, continue as trustees of all the funds and property then in its possession, or under its control, including claims for any funds unpaid or property not delivered at the time of such termination.

(b) The said trustees shall (1) continue in such capacity until discharged by the Secretary; (2) from time to time account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such persons as the Secretary may direct; and (3) upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person, full title and right to all of the funds, property, and claims vested in the committee or the trustees pursuant hereto.

(c) Any person to whom funds, property, or claims have been transferred or delivered, pursuant to this section, shall be subject to the same obligation imposed upon the committee and upon the trustees.

§ 934.66 Effect of termination or amendment.

Unless otherwise expressly provided by the Secretary, the termination of this part or of any regulation issued pursuant to this part, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this part or any regulation issued under this part, or (b) release or extinguish any violation of this part or of any regulation issued under this part, or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violation.

§ 934.67 Duration of Immunities.

The benefits, privileges, and immunities conferred upon any person by virtue of this part shall cease upon the termination of this part, except with respect to acts done under and during the existence of this part.

§ 934.68 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States, or name any agency or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this part.

§ 934.69 Derogation.

Nothing contained in the provisions of this part is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States (a) to exercise any powers granted by the act or otherwise, or (b) in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 934.70 Personal liability.

No member or alternate member of the committee and no employee or agent of the committee shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, employee, or agent, except for acts of dishonesty, willful misconduct, or gross negligence.

§ 934.71 Separability.

If any provision of this part is declared invalid or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this part or the applicability thereof to any other person, circumstance, or thing shall not be affected thereby.

§ 934.72 Counterparts.

This agreement may be executed in multiple counterparts and when one counterpart is signed by the Secretary, all such counterparts shall constitute, when taken together, one and the same instrument as if all signatures were contained in one original.***

§ 934.73 Additional parties.

After the effective date hereof, any handler may become a party to this agreement if a counterpart is executed by him and delivered to the Secretary. This agreement shall take effect as to such new contracting party at the time such counterpart is delivered to the Secretary, and the benefits, privileges, and immunities conferred by this agreement shall then be effective as to such new contracting party.***

§ 934.74 Order with marketing agreement.

Each signatory handler hereby requests the Secretary to issue, pursuant to the act, an order providing for the regulating of the handling of fresh peaches in the same manner as is provided for in this agreement.***

Dated: March 24, 1960.

ROY W. LENNARTSON,
Deputy Administrator,
Marketing Services.

[F.R. Doc. 60-2813; Filed, Mar. 28, 1960; 8:48 a.m.]

[7 CFR Part 1018]

[Docket No. AO-286-A2]

MILK IN SOUTHEASTERN FLORIDA MARKETING AREA

Notice of Extension of Time for Filing Exceptions to the Recommended Decision on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given that the time for filing exceptions to the recommended decision with respect to the proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Southeastern Florida marketing area, which was issued March 15, 1960 (25 F.R. 2263), is hereby extended to March 30, 1960.

Dated: March 24, 1960, Washington, D.C.

ROY W. LENNARTSON,
Deputy Administrator.

[F.R. Doc. 60-2820; Filed, Mar. 28, 1960; 8:48 a.m.]

[7 CFR Part 1024]

[Docket No. AO-308-A1]

HANDLING OF MILK IN OHIO VALLEY MARKETING AREA

Decision With Respect to Proposed Amendment to Tentative Marketing Agreement and to the Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Evansville, Indiana, on March 1, 1960, pursuant to notice thereof issued on February 24, 1960 (25 F.R. 1734).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on March 14, 1960 (25 F.R. 2236) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issue on the record of the hearing relates to the Class I price differential effective through July 1960.

Findings and conclusions. The following findings and conclusions on the material issue are based on evidence presented at the hearing and the record thereof:

The Class I price differential should be $1.30 for the months of April through July 1960.

Order No. 124 became effective March 1, 1960, with a Class I differential of $1.33

for the months of March through July 1960. Starting in August 1960 the differential is to be $1.38 for the months of August through March and $1.15 for the months of April through July. At the end of 18 months after the effective date of the order, these differentials are to be $1.33 and a $1.10, respectively.

A class I differential of $1.30 for the months of April through July 1960 will contribute to market stability by providing a level of prices during these months approximating that which prevailed in the market prior to the inception of the order. The $1.30 differential through July 1960 will result in a level of Class I prices during the first 18 months of the order in conformity with the appropriate level decided upon in the previous findings (24 F.R. 8694) to assure an adequate supply of milk for consumers in this area. There was no testimony in opposition to the producers' proposal. Although interested parties were offered an opportunity to file briefs, none were filed.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with issuance of the aforesaid order and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to Section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Ohio Valley Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the Ohio Valley Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of February 1960 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order regulating the handling of milk in the Ohio Valley marketing area, is approved or favored by producers, as defined under the terms of the order as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Issued at Washington, D.C., this 24th day of March 1960.

CLARENCE L. MILLER,
Assistant Secretary.

Order[1] Amending the Order Regulating the Handling of Milk in the Ohio Valley Marketing Area

§ 1024.0 **Findings and determinations.**

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon a proposed amendment to the tentative marketing agreement and to the order regulating the handling of milk in the Ohio Valley marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Ohio Valley marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

1. At the end of § 1024.51(a)(2) add the following proviso: *"Provided,* That for the months of April through July 1960 the amount added to the basic formula price for the preceding month shall be $1.30."

[F.R. Doc. 60-2819; Filed, Mar. 28, 1960; 8:48 a.m.]

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 29]

FRUIT BUTTERS, FRUIT JELLIES, FRUIT PRESERVES, AND RELATED PRODUCTS; DEFINITIONS AND STANDARDS OF IDENTITY

Fruit Preserves and Jams; Confirmation of Order Denying Amendment of Definition and Standard of Identity

In the matter of amending the definition and standard of identity for fruit preserves and jams to permit the addition of cherry liqueur and rum as optional ingredients.

No objections were filed to the order published in the FEDERAL REGISTER on February 4, 1960 (25 F.R. 990), in the above-identified matter. Therefore, no public hearing will be held.

Dated: March 22, 1960.

[SEAL] GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 60-2827; Filed, Mar. 28, 1960; 8:49 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-LA-84]

FEDERAL AIRWAYS AND CONTROL AREAS

Modification of Proposal

In a notice of proposed rule making published in the FEDERAL REGISTER as Airspace Docket No. 59-LA-84 on March 5, 1960 (25 F.R. 1962), it was stated that the Federal Aviation Agency proposed to redesignate the segment of VOR Federal airway No. 19 between Las Vegas, N. Mex., and Pueblo, Colo., via Cimarron, N. Mex., with an east alternate from Cimarron to Pueblo via the intersection of the Cimarron VOR 026° and the Pueblo VOR 176° True radials. It was also proposed to revoke VOR Federal airway No. 197 and its associated control areas from Las Vegas, N. Mex., to Pueblo, Colo. Notice is hereby given that the original proposal is amended in that the east alternate of Victor 19 proposed between Cimarron and Pueblo would be designated via the intersection of the Cimarron VOR 053° and the Pueblo VOR 176° True radials. This modification would provide a route for VOR equipped aircraft arriving and departing Trinidad, N. Mex., airport in addition to a departure route from Pueblo and an alternate airway for changing altitudes of enroute air traffic.

In order to provide interested persons time to adequately evaluate this proposal, as modified herein, and an opportunity to submit additional written data, views or arguments, the date for filing such material will be extended to April 30, 1960.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), I hereby give notice that the time within which comments will be received for consideration on Airspace Docket No. 59-LA-84 is extended to April 30, 1960. Communications should be submitted in triplicate to the Chief, Air Traffic Management Division, Federal Aviation Agency, 5651 West Manchester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, Calif.

Sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on March 23, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-2797; Filed, Mar. 28, 1960; 8:45 a.m.]

Notices

CIVIL SERVICE COMMISSION

CERTAIN POSITIONS OF PROFESSIONAL ENGINEERS AND PHYSICAL SCIENTISTS THROUGHOUT THE UNITED STATES (INCLUDING ALASKA AND HAWAII); ITS TERRITORIES AND POSSESSIONS (EXCEPT PUERTO RICO); AND IN FOREIGN COUNTRIES

Notice of Increase in Minimum Rates of Pay

Under the provisions of section 803 of the Classification Act of 1949, as amended (68 Stat. 1106; 5 U.S.C. 1133) pursuant to 5 CFR 25.103, 25.105, the Commission has increased the minimum rate of pay for positions at GS–5 and GS–7 in the series and specializations as indicated below. The new rate for GS–5 has been set at $4,940 (the top step of the grade) and for GS–7 at $5,880 (the top step of the grade). These increases will be effective the first day of the first pay period which begins in May 1960. The new increased rates apply throughout the United States (including Alaska and Hawaii); its territories and possessions (except Puerto Rico); and in foreign countries.

The positions to which the new minimum pay rates apply are as follows:

A. All professional engineering positions at grades GS–5 and GS–7 identified by the following series in the GS–800–0 Group:

GS–801 General Engineering.
GS–803 Safety Engineering.
GS–804 Fire Prevention Engineering.
GS–805 Maintenance Engineering.
GS–806 Materials Engineering.
GS–808 Architectural Engineering.
GS–810 Civil Engineering.
GS–811 Construction Engineering.
GS–812 Structural Engineering.
GS–813 Hydraulic Engineering.
GS–819 Sanitary Engineering.
GS–820 Highway Engineering.
GS–824 Bridge Engineering.
GS–830 Mechanical Engineering.
GS–832 Automotive Engineering.
GS–834 Internal Combustion Power Plant Engineering.
GS–850 Electrical Engineering.
GS–855 Electronic Engineering.
GS–861 Aeronautical Engineering.
GS–862 Airways Engineering.
GS–870 Marine Engineering.
GS–871 Naval Architecture.
GS–880 Mining Engineering.
GS–881 Petroleum Production and Natural-Gas Engineering.
GS–890 Agricultural Engineering.
GS–892 Ceramic Engineering.
GS–893 Chemical Engineering.
GS–894 Welding Engineering.
GS–896 Industrial Engineering.
GS–897 Valuation Engineering.

B. All positions at grades GS–5 and GS–7 in the following series:

GS–1040 Architecture.
GS–1041 Landscape Architecture.
GS–1224 Patent Examining.
GS–1221 Patent Adviser.
GS–1310 Physics.
GS–1313 Geophysics.
GS–1320 Chemistry.
GS–1321 Metallurgy.
GS–1330 Astronomy.
GS–1340 Meteorology.
GS–1350 Geology.
GS–1372 Geodesy.
GS–1510 Actuary.
GS–1520 Mathematics.

C. All positions at grades GS–5 and GS–7 in the following specializations:

GS–1360 Oceanographer (Physical).
GS–1530 Mathematical Statistician.
GS–1390 Forest Products Technologist.
GS–1390 Technologist (Rubber).
GS–1390 Technologist (Plastics).
GS–1390 Technologist (Rubber and Plastics).
GS–1390 Technologist (Aviation Survival Equipment).
GS–1390 Technologist (Industrial Radiography).
GS–1390 Technologist (Packaging and Preservation).
GS–1390 Technologist (Photographic Equipment).

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] MARY V. WENZEL,
Executive Assistant.

[F.R. Doc. 60–2841; Filed, Mar. 28, 1960; 8:50 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 13197, 13198; FCC 60M–531]

LAWRENCE W. FELT AND INTERNATIONAL GOOD MUSIC, INC.

Order Continuing Hearing

In re applications of Lawrence W. Felt, Carlsbad, California, Docket No. 13197, File No. BPH–2499; International Good Music, Inc., San Diego, California, Docket No. 13198, File No. BPH–2695; for construction permits.

On the joint oral request of counsel for applicants, and without objection by counsel for the Broadcast Bureau: *It is ordered,* This 22d day of March 1960, that the hearing now scheduled for March 30 is further continued to Monday, May 2, 1960, at 10 a.m., and that the date for notice of the witnesses desired for cross-examination is further extended from March 22 to April 25, 1960.

Released: March 23, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60–2829; Filed, Mar. 28, 1960; 8:49 a.m.]

[Docket Nos. 13422, 13428; FCC 60M–528]

PLAINS RADIO BROADCASTING CO. AND JACOB WILSON HENOCK

Order Scheduling Hearing

In re applications of Plains Radio Broadcasting Company, Detroit, Michigan, Docket No. 13422, File No. BPH–2824; Jacob Wilson Henock, Detroit, Michigan, Docket No. 13428, File No. BPH–2893; for construction permits (FM).

It is ordered, This 22d day of March 1960, that David I. Kraushaar will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on June 2, 1960, in Washington, D.C.

Released: March 23, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60–2830; Filed, Mar. 28, 1960; 8:49 a.m.]

[Docket Nos. 13430–13432; FCC 60M–530]

ROGUE VALLEY BROADCASTERS, INC. (KWIN) ET AL.

Order Scheduling Hearing

In re applications of Rogue Valley Broadcasters, Inc. (KWIN), Ashland, Oregon, Docket No. 13430, File No. BP–11939; Medford Broadcasters, Inc. (KDOV), Medford, Oregon, Docket No. 13431, File No. BP–12683; R. W. Hansen (KCNO), Alturas, California, Docket No. 13432, File No. BP–13055; for construction permits.

It is ordered, This 22d day of March 1960, that Walther W. Guenther will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on May 31, 1960, in Washington, D.C.

Released: March 23, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60–2831; Filed, Mar. 28, 1960; 8:49 a.m.]

[Docket No. 13435; FCC 60M–535]

SOUTHERN OREGON BROADCASTING CO. (KAGI)

Order Scheduling Hearing

In re application of Southern Oregon Broadcasting Company (KAGI), Grants Pass, Oregon, Docket No. 13435, File No. BMP–8282; for construction permit.

It is ordered, This 22d day of March 1960, that Jay A. Kyle will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on June 2, 1960, in Washington, D.C.

Released: March 23, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60–2832; Filed, Mar. 28, 1960; 8:49 a.m.]

[Docket Nos. 13415, 13416; FCC 60M–541]

TBC, INC. AND BAY VIDEO, INC.

Order Setting Prehearing Conference

In re applications of TBC, Inc., Panama City, Florida, Docket No. 13415, File

No. BPCT-2615; Bay Video, Inc., Panama City, Florida, Docket No. 13416, File No. BPCT-2635; for construction permits for new television broadcast stations.

It is ordered, This 22d day of March 1960, that all parties or their counsel, in the above-entitled proceeding are directed to appear for a prehearing conference pursuant to the provisions of § 1.111 of the Commission's rules, at the offices of the Commission in Washington, D.C., at 10 o'clock a.m., April 12, 1960.

Released: March 24, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-2833; Filed, Mar. 28, 1960; 8:49 a.m.]

[Docket Nos. 13436-13438; FCC 60M-536]

TOT INDUSTRIES, INC., ET AL.

Order Scheduling Hearing

In re applications of Tot Industries, Inc., Medford, Oregon, Docket No. 13436, File No. BPCT-2641; Radio Medford, Inc., Medford, Oregon, Docket No. 13437, File No. BPCT-2655; Medford Telecasting Corporation, Medford, Oregon, Docket No. 13438, File No. BPCT-2697; for construction permits for new television broadcast stations (Channel 10).

It is ordered, This 22d day of March 1960, that H. Gifford Irion will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on May 25, 1960, in Washington, D.C.

Released: March 23, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-2834; Filed, Mar. 28, 1960; 8:49 a.m.]

[Docket No. 12651 etc.; FCC 60M-523]

JAMES E. WALLEY ET AL.

Order Continuing Hearing

In re applications of James E. Walley, Oroville, California, Docket No. 12651, File No. BP-11655; Robert L. Stoddard, tr/as Sierra Broadcasting Company, Reno, Nevada, Docket No. 12819, File No. BP-12299; Finley Broadcasting Company (KSRO), Santa Rosa, California, Docket No. 12820, File No. BP-12313; Gene V. Mitchell and Robert T. McVay, d/b as Sanval Broadcasters, Oroville, California, Docket No. 12821, File No. BP-12381; Western States Radio (KIST), Santa Barbara, California, Docket No. 13281, File No. BP-12664; KATY, Sweetheart of San Luis Obispo, Inc. (KATY), San Luis Obispo, California, Docket No. 13282, File No. BP-12760; KOMY, Inc. (KOMY), Watsonville, California, Docket No. 13283, File No. BP-12853; McMahan Broadcasting Co. (KMAK), Fresno, California, Docket No. 13284, File No. BP-12979; for construction permits.

Pursuant to agreement of counsel and, in view of the fact that weather conditions in the area involved have been such as to preclude the taking of measurements which appear desirable and will be taken as soon as conditions permit: *It is ordered,* That the hearing involving Group 2 of the above-styled consolidated proceeding, now scheduled for March 22, 1960, be and the same is hereby continued to a date to be hereafter fixed.

Dated, this 21st day of March in Washington, D.C.

Released: March 22, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-2835; Filed, Mar. 28, 1960; 8:50 a.m.]

[Docket No. 13414; FCC 60M-522]

WDUL TELEVISION CORP. (WHYZ-TV)

Order Continuing Hearing

In re application of WDUL Television Corp. (WHYZ-TV), Duluth, Minnesota, Docket No. 13414, File No. BMPCT-5375; for modification of construction permit.

Pursuant to agreement at today's prehearing conference: *It is ordered,* This 21st day of March 1960, that the hearing now scheduled for April 21 is continued to Monday, June 6, 1960 at 10 a.m., and that a further prehearing conference is scheduled for Monday, May 23, 1960, at 10 a.m., in the offices of the Commission, Washington, D.C.

Released: March 22, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-2836; Filed, Mar. 28, 1960; 8:50 a.m.]

[Docket Nos. 12457, 13434; FCC 60M-534]

CLARENCE E. WILSON AND MORTON BROADCASTING CO.

Order Scheduling Hearing

In re applications of Clarence E. Wilson, Hobbs, New Mexico, Docket No. 12457, File No. BP-11817; Mike Allen Barrett, tr/as Morton Broadcasting Company, Morton, Texas, Docket No. 13434, File No. BP-13393; for construction permits.

It is ordered, This 22d day of March 1960, that Herbert Sharfman will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on June 1, 1960, in Washington, D.C.

Released: March 23, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-2837; Filed, Mar. 28, 1960; 8:50 a.m.]

[Docket No. 13265; FCC 60M-532]

EARL A. WILLIAMS

Order Continuing Hearing

In the matter of application of Earl A. Williams, Docket No. 13265, File No. 2731-C2-P-59 Call Sign KEC 929; for construction permit to establish a new one-way signaling common carrier station in the Domestic Public Land Mobile Radio Service in Syracuse, N.Y.

On the oral request of counsel for the Common Carrier Bureau, and without objection by counsel for applicant and protestant: *It is ordered,* This 22d day of March 1960, that the hearing now scheduled for April 4 is further continued to Tuesday, May 3, 1960, at 10 a.m., and that the date for exchange of exhibits is further extended from March 25 to April 22, 1960.

Released: March 23, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-2838; Filed, Mar. 28, 1960; 8:50 a.m.]

FEDERAL POWER COMMISSION

[Project No. 2242]

EUGENE WATER & ELECTRIC BOARD

Notice of Application for Amendment of Plans

MARCH 22, 1960.

Public notice is hereby given that City of Eugene, by and through its Eugene Water & Electric Board, has filed application under the Federal Power Act (16 U.S.C. 791a-825r) for amendment of plans for its proposed Carmen-Smith hydroelectric project, under license as Project No. 2242—to be located on the McKenzie River and its tributary, the Smith River, in Lane and Linn Counties, Oregon, and affecting lands of the United States within the Willamette National Forest—consisting principally of relocation of axis of Carmen Diversion Dam about 1,000 feet upstream, and raising of crest of the dam to elevation 2,633 feet and of normal full pool to elevation 2,625 feet; relocation of Carmen Powerhouse about 300 feet downstream, changing of powerhouse to an outdoor type structure, and increasing ratings of the two turbines to 56,000 horsepower each at 359 feet net head directly connected to generators with nameplate ratings increased to 40,000 kilowatts each; and other changes to Carmen diversion tunnel, power tunnel and penstock; changing of Smith Dam from rockfill to earthfill type with minor adjustment in the dam alignment, raising of crest of dam to elevation 2,613 feet and increasing the normal full pool elevation to 2,605 feet, and changing of spillway control from bascule type gate to radial gate; relocation of axis of Trail Bridge Dam about 300 feet upstream, changing of type of

dam from rockfill to earthfill, raising of crest of dam to elevation 2,100 feet, increasing full pool elevation to 2,092 feet; and changing of spillway control from side channel spillway to ogee section near the dam axis containing one radial gate; and changing of Trail Bridge Powerhouse to an outdoor type structure, and increasing rating of the one turbine to 11,700 horsepower at 67 feet net head directly connected to a generator with rating increased to 10,000 kilowatts.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure of the Commission (18 CFR 1.8 or 1.10). The last date upon which protests or petitions may be filed is May 9, 1960. The application is on file with the Commission for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-2798; Filed, Mar. 28, 1960; 8:45 a.m.]

[Docket No. G-19530]

EAST TENNESSEE NATURAL GAS CO.

Order Reopening Proceedings

MARCH 18, 1960.

This proceeding involves the application of East Tennessee Natural Gas Company (Applicant) for a certificate of public convenience and necessity under section 7(c) of the Natural Gas Act for authority to construct and operate certain facilities in order to sell and deliver to Middle Tennessee Natural Gas Utility District (Mid-Tennessee) the latter's natural gas requirements for its "Carthage Tap" and "Monterey Tap" facilities, through which Mid-Tennessee proposes to initiate natural gas service to 14 communities in north-central Tennessee.

On January 20, 1960, pursuant to the presiding examiner's notice, a prehearing conference was held which conference resulted in the stipulation of certain facts enumerated in the examiner's report of January 22, 1960. Pursuant to due notice, hearings were commenced on January 25, 1960, and concluded on January 27, 1960. Briefs were filed by Applicant and intervenor, Mid-Tennessee, in support of the application; intervenor, Chattanooga Gas Company (Chattanooga) and the staff filed briefs in opposition. On February 10, 1960, the presiding examiner reopened the proceeding for the purpose of receiving additional evidence.

On February 19, 1960, the presiding examiner issued his initial decision denying the application on the ground that "applicant's other customers would have upon their shoulders the burden of the cost of more than 70 percent of the subsidy which applicant seeks authorization to bestow upon the District."

Applicant and Mid-Tennessee filed exceptions to the above-mentioned decision.

It appears that the examiner made the most of a record which was deficient in evidence necessary to determine precisely the cost to Applicant of gas which it proposes to transport and sell for resale to Mid-Tennessee. However, we conclude that the public interest and proper administration of the Natural Gas Act require that this proceeding be reopened to allow the Applicant to introduce additional evidence which will show (1) the incremental cost of gas for the proposed service, (2) any additional interruptible loads that will be served out of the "valley" created by the proposed sales to Mid-Tennessee, and (3) what contribution, if any, Mid-Tennessee can and should make toward the cost of Applicant's proposed lateral extensions.

The Commission finds: The public interest requires that the proceeding herein be reopened for the specific purposes hereinabove stated.

The Commission orders:

(A) The proceeding in Docket No. G-19530 is hereby reopened for the specific purposes hereinabove stated.

(B) Further hearings before the presiding examiner upon the reopening herein ordered are to commence on March 28, 1960, at 10:00 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., for the purposes hereinbefore stated.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-2799; Filed, Mar. 28, 1960; 8:46 a.m.]

[Docket No. CP60-48]

IOWA POWER AND LIGHT CO.

Notice of Application

MARCH 22, 1960.

Take notice that on March 7, 1960, Iowa Power and Light Company (Iowa Power), an Iowa corporation with its principal place of business in Des Moines, Iowa, filed application pursuant to section 7(a) of the Natural Gas Act seeking an order of the Commission directing Natural Gas Pipeline Company of America (Natural) to deliver to it natural gas to enable it to provide natural gas service to the communities of Milo, Elliott, Dallas and Melcher, Iowa, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Iowa Power proposes to construct distribution systems in each of the aforementioned communities, and to construct 3.3 miles of 3-inch lateral pipeline to connect its distribution system at Dallas-Melcher to Natural's main transmission line and about 5.8 miles of 2-inch lateral pipeline to connect the distribution systems of the communities of Elliott and Milo to Natural's main transmission line.

Iowa Power estimates the natural gas requirements for these communities as follows:

[In thousand cubic feet]

	1st year	2d year	3d year
Dallas-Melcher:			
Annual	43,050	54,870	66,220
Peak day	449	569	671
Elliott:			
Annual	17,830	22,640	27,300
Peak day	184	235	274
Milo:			
Annual	17,770	22,930	27,850
Peak day	186	239	285

The estimated third year cost for the proposed facilities is $426,309 which would be financed from cash on hand, subject to refinancing in connection with Iowa Power's over-all construction program.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 8, 1960.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-2800; Filed, Mar. 28, 1960; 8:46 a.m.]

[Docket No. G-20592]

MISSISSIPPI RIVER FUEL CORP.

Notice of Application and Date of Hearing

MARCH 22, 1960.

Take notice that Mississippi River Fuel Corporation (Applicant), a Delaware corporation with a principal office in St. Louis, Missouri, filed an application on December 29, 1959, as supplemented on February 8, 1960, pursuant to section 7 of the Natural Gas Act, for a certificate of public convenience and necessity authorizing the Applicant to construct and operate natural gas facilities for the transportation of natural gas in interstate commerce, in order to develop and operate the St. Jacob Field, in Madison and St. Clair Counties, near East St. Louis, Illinois, as an underground storage reservoir, and initially to provide a winter peaking service on an interruptible basis to existing resale customers, all as more fully described in the application on file with the Commission, and open to public inspection.

The application recites that Applicant proposes the following facilities to develop and operate the St. Jacob Storage Area:

(1) Ten wells to be used for injection and withdrawal of storage gas. Applicant has already drilled 5 exploratory wells in the storage area to test the feasibility of the proposed project.

(2) Twenty miles of 12-inch lateral transmission pipeline extending from its existing 24-inch main line near East St. Louis to the St. Jacob Storage Area.

(3) 2.6 miles of 4-inch lateral pipeline within the storage area, to connect the injection and withdrawal wells to the proposed 12-inch lateral.

(4) One new 2,500 horsepower compressor station, to be located at the intersection of the proposed 12-inch St. Jacob lateral with Applicant's existing 24-inch main line.

(5) Appurtenant facilities for metering, dehydration, etc.

Applicant states the proposed facilities are designed to augment Applicant's ability to meet winter peak demands on its system in future years. Applicant states that the estimated peak day requirements of its existing customers will exceed the design sales capacity of its system which is estimated to be 524,238 Mcf per day at (14.9 psia).

In Exhibit I to the application, Applicant states the estimated peak day requirements of its existing customers are as follows :

	Requirements in Mcf at 14.9			
	1960–61	1961–62	1962–63	1963–64
Total resale	545,132	593,106	594,428	594,792
Firm direct sales	65,000	65,000	65,000	65,000
Interruptible direct sales	197,000	197,000	197,000	197,000
Total requirements	807,132	855,106	856,428	856,792

Applicant's flow diagram which is a part of the application indicates the St. Jacob Field may have a maximum withdrawal rate from storage of approximately 25,000 Mcf per day of which amount Laclede Gas Company, an existing customer distributing gas in St. Louis, has signed a precedent agreement signifying its intent to purchase up to 9,200 Mcf per day of storage gas from the St. Jacob Field during 1961–62 at the proposed price of 75 cents per Mcf.

Applicant estimates the total capital cost of the proposed facilities at $3,237,400, which will be financed from cash on hand.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 26, 1960, at 9:30 a.m., e.d.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 15, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60–2801; Filed, Mar. 28, 1960; 8:46 a.m.]

[Docket No. CP60–19]

PANHANDLE EASTERN PIPE LINE CO.

Notice of Application

MARCH 22, 1960.

Take notice that Panhandle Eastern Pipe Line Company (Panhandle), filed on January 29, 1960, in Docket No. CP60–19, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing it to transport natural gas in interstate commerce, subject to the jurisdiction of the Commission, for delivery to Laclede Gas Company, a new customer, for the purpose hereinafter described, all as more fully represented in the application which is on file with the Commission and open for public inspection.

Panhandle states it seeks a certificate of public convenience and necessity authorizing it to transport volumes of natural gas up to a total quantity of 6,200,000 Mcf to be delivered to Laclede during the preiod June 1, 1960 to October 1, 1965, or until such earlier date when the total volume of 6,200,000 Mcf shall have been delivered.

Applicant states the gas is to be delivered to Laclede Gas Company (Laclede) in the vicinity of Hallsville, Boone County, Missouri, for use by Laclede in testing, developing and injecting base storage gas into geologic structures which Laclede seeks to convert into an underground storage reservoir.

The delivery to Laclede will be on an interruptible basis, and, after the first thirty days, the deliveries are proposed to be made at rates varying between 5,000 Mcf and 15,000 Mcf per day. Applicant states no deliveries are to be made during the winter period, from October 1 to April 1.

Panhandle represents that the only construction which it will be required to undertake in order to implement its proposal is the installation of a measuring station on its main transmission line in Boone County, Missouri which is estimated to cost no more tan $13,500. Panhandle will defray this cost from cash on hand.

The contract price of the gas to be sold by Panhandle to Laclede is 40 cents per Mcf subject to adjustments for changes in Panhandle's average cost of purchased gas and for taxes. Further the contract provides that if the price of gas to Laclede becomes "prohibitive" as the result of any upward adjustments, then the Buyer can cancel and terminate the contract, unless Panhandle waives the adjustments.

The contract further provides if on or before May 1, 1964, the Buyer, after having purchased at least 500,000 Mcf of base storage gas, elects not to go ahead with its storage project, and notifies Seller accordingly on or before May 1, 1964, it is agreed that the sale will be rescinded and the gas already delivered to Buyer will be returned to Seller. Panhandle will pay Laclede 38 cents per Mcf for the returned gas, claiming the difference between 40 and 38 cents for expenses.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 20, 1960.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60–2802; Filed, Mar. 28, 1960; 8:46 a.m.]

[Docket No. G–14692 etc.]

SAM SKLAR ET AL.

Notice of Applications and Date of Hearing

MARCH 22, 1960.

Sam Sklar, et al., Docket Nos. G–14692 and G–15474; Getty Oil Company, Operator, et al., Docket No. G–15155; James W. Witherspoon, Docket No. G–15390; J. M. L. Smith, Docket No. G–15464; Woodley Petroleum Company, Operator, Docket No. G–15469; Russell Rinehart, Docket No. G–15481; William Gruenerwald, Operator, et al., Docket No. G–15496; Aylward Drilling Company, Operator, et al., Docket No. G–15503; C. V. Mills, et al., Docket No. G–15509; Anderson-Prichard Oil Corporation, Operator, et al., Docket No. G–15533; Kingwood Oil Company, Operator, et al., Docket No. G–15711.

Take notice that each of the above Applicants has filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing each to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the respective applications which are on file with the Commission and open to public inspection.

Docket Nos.; Field and Location; and Purchaser

G–14692 and G–15474; Rodessa Field, Cass County, Tex.; United Gas Pipe Line Co.

G–15155; Freeborn Field, Jim Wells and Live Oak Counties, Tex.; Texas Illinois Natural Gas Pipeline Co., now Peoples Gulf Coast Natural Gas Pipeline Co.

G–15390; Panoma Field, Donaley County, Tex.; El Paso Natural Gas Co.

G–15464; Southwest District, Doddridge County, W. Va.; Equitable Gas Co.

G–15469; Andrews Field, Andrews County Tex.; El Paso Natural Gas Co.

G–15481; Paw Paw and Lincoln Districts, Marion County, W. Va.; South Penn Natural Gas Co.

G–15496; Farley "B" Field, Barber County, Kans.; Cities Service Gas Co.

G–15503; Barber County, Kans.; Cities Service Gas Co.

G–15509; Sheridan District, Calhoun County, W. Va.; Hope Natural Gas Co.

G–15533; East Aylesworth Field, Bryan County, Okla.; Lone Star Gas Co.

G–15711; Acreage in Beaver County, Okla.; Northern Natural Gas Co.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the appli-

cable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 20, 1960 at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10 on or before April 11, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-2803; Filed, Mar. 28, 1960; 8:46 a.m.]

[Docket No. CP60-26]

TRANSWESTERN PIPELINE CO.

Notice of Application and Date of Hearing

MARCH 22, 1960.

Take notice that on February 8, 1960, as supplemented March 1, 1960, Transwestern Pipeline Company (Applicant) filed in Docket No. CP60-26 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of field facilities to enable Applicant to take into its certificated main transmission pipeline system natural gas which will be purchased from producers thereof from time to time during the calendar year 1960 in the area of its existing transmission system at a total cost of not to exceed $3,000,000, with no single project to exceed a cost of $500,000, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The purpose of this budget-type proposal is to augment Applicant's ability to act with reasonable dispatch in securing by contract and connecting to its pipeline system new supplies of natural gas in various areas generally coextensive with its system.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on April 21, 1960, at 9:30 a.m., e.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 11, 1960. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-2805; Filed, Mar. 28, 1960; 8:46 a.m.]

[Docket No. G-18968, etc.]

TEXAS EASTERN TRANSMISSION CORP. ET AL.

Notice of Applications, Consolidation of Proceedings and Date of Hearing

MARCH 22, 1960.

Texas Eastern Transmission Corporation, Docket No. G-18968 and G-18969; Algonquin Gas Transmission Company, Docket No. G-18970; Transcontinental Gas Pipe Line Corporation, Docket No. G-19181; New York State Natural Gas Corporation, Texas Eastern Transmission Corporation, Transcontinental Gas Pipe Line Corporation, Docket No. G-18961.

Take notice that on July 14, 1959, Texas Eastern Transmission Corporation (Texas Eastern) filed an application in Docket No. G-18969, as amended on July 21, 1959 and as supplemented on July 14, 1959, August 7, 1959, September 25, 1959 and November 13, 1959, for a certificate of public convenience and necessity, pursuant to section 7(c) of the Natural Gas Act (Act), to construct and operate facilities for the natural gas service hereinafter described.

Texas Eastern proposes to sell and deliver up to 20,000,000 Mcf of natural gas, per year, to four member companies of the Consolidated Natural Gas System[1] (Consolidated Companies) on an interruptible basis under its ACQ-C Rate Schedule, commencing in 1961; and up to 339,194 Mcf per day and approximately 20,352,000 Mcf annually, to 21 customers[2] during each winter period (November 16-April 15) on a long term firm basis under a WS (Winter Service) Rate Schedule, also proposed herein. Additional mainline loops, mainline compression and lateral pipeline, estimated to cost $46,675,400[3] are proposed to increase the delivery capacity of Texas Eastern's transmission system east of the Oakford and Leidy Storage Pools and enable it to render this proposed service.

Texas Eastern proposes to construct and operate the following facilities:

(1) Approximately 81 miles of 24-inch transmission pipeline extending from its existing Perulack Compressor Station in Juniata County, Pennsylvania, to the Leidy and Tamarack Storage Pools in Potter and Clinton Counties, Pennsylvania.

(2) Approximately 39.6 miles of 36-inch transmission pipeline looping its existing 20-inch lines between Compressor Station No. 26 near Lambertville, New Jersey and Compressor Station 27 near Linden, New Jersey.

(3) Approximately 22.7 miles of 20-inch transmission pipeline looping its existing 20-inch lines between Compressor Station No. 25 in Chester County, Pennsylvania and Chester Junction on the South Philadelphia lateral, near Chester, Pennsylvania.

(4) Approximately 65.5 miles of 30-inch transmission pipeline looping its existing 24-inch line between Perulack Compressor and Station No. 26 near Lambertville, New Jersey.[4]

(5) Approximately 3.5 miles of 30-inch pipeline loops from Compressor Station No. 27 in Union County, New Jersey, to Staten Island, New York.

(6) A new 3,300 horsepower compressor station at Perulack, Juniata County, Pennsylvania.

(7) Two measuring and regulating stations, one near Amory, Mississippi, and the other on Staten Island, New York.

Texas Eastern proposes to finance the estimated cost of these facilities ($46,675,400) along with other expansion programs through the sale of $150,000,000 of securities consisting of preferred stock, first mortgage bonds and debentures.

In Docket No. G-18968, filed as amended and supplemented on July 14, 1959, and as further supplemented on August 7, 1959, Texas Eastern proposes to render winter service to Equitable Gas Company (Equitable) under the same provisions as those proposed by Texas Eastern for its other aforemen-

[1] The East Ohio Gas Company, The Peoples Natural Gas Company, New York State Natural Gas Corporation and Hope Natural Gas Company.

[2] See Appendix A.

[3] Includes total estimated capital cost of Texas Eastern's one-quarter interest in the Leidy and Tamarack Storage Pools.

[4] Construction proposed by Penn-Jersey, a wholly-owned subsidiary of Texas Eastern.

tioned customers in Docket No. G–18969. Proposed deliveries to Equitable are, up to 1,500 Mcf per day and 90,000 Mcf per year. No additional facilities are proposed for the service to Equitable.

Texas Eastern was granted in Docket Nos. G–18968 and G–18969, temporary authorization on December 24, 1959, to construct and operate specific sections of the facilities proposed in Docket No. G–18969 and to render the winter peaking service to the parties, as described in the applications in Docket Nos. G–18968 and G–18969, until November 15, 1960. Said temporary authorization was granted conditioned upon rate charges which appeared to the Commission to be proper for the service to be rendered for the aforesaid limited period. A joint application of The Ohio Fuel Gas Company (Ohio Fuel) and The Manufacturers Light and Heat Company (Manufacturers) interveners herein, for reconsideration, rehearing and rescission of the temporary authorization, was denied by Commission order of February 5, 1960. A motion to stay the Commission's order, filed by Ohio Fuel and Manufacturers, was denied on February 26, 1960, by the United States Court of Appeals for the District of Columbia.

On July 14, 1959, Algonquin Gas Transmission Company (Algonquin), an existing customer of Texas Eastern, filed as supplemented, in Docket No. G–18970, an application pursuant to section 7 of the Act, seeking authorization to construct and operate additional facilities in order to provide long-term winter service to 18 of its existing firm gas customers.[5]

Algonquin proposes to construct and operate the following facilities:

(1) An additional 12,000 horsepower at its existing Cromwell Compressor Station, in Connecticut.

(2) Approximately 25 miles of 20-inch pipeline looping its existing 16-inch G–1 Lateral extending towards Taunton from a connection with its 24-inch main line near Mendon, Massachusetts.

(3) Approximately 8 miles of 8-inch pipeline looping its existing 6-inch G–8 Lateral extending towards Buzzards Bay from the point of connection with the G–1 Lateral.

Algonquin estimates the cost of its proposed facilities at $6,293,400, to be financed through the use of retained earnings and the issuance of new debt securities.

In order to render this service, Algonquin is relying on the additional volumes to be provided by Texas Eastern as contained in the latter's firm winter service proposal in Docket No. G–18969. Algonquin proposes to render this service under a Winter Service Rate Schedule (WS–1), also proposed herein. Temporary authorization for the construction of facilities and the rendering of the proposed service by Algonquin, until November 15, 1960, was granted on December 24, 1959.

On July 14, 1959, a joint application was filed in Docket No. G–18961, by New York State Natural Gas Corporation (New York Natural), Texas Eastern and Transcontinental Gas Pipe Line Corporation (Transco), requesting authorization to construct and operate the following facilities necessary to develop Texas Eastern's share of the Leidy Storage Pool:

(1) Approximately 6.5 miles of 20-inch pipeline.

(2) Approximately 4.8 miles of 16-inch pipeline.

(3) Additional 5,000 horsepower in compression facilities.

(4) A 250,000 Mcf dehydration plant.

(5) Effectively plug 27 wells.

(6) Appurtenant metering and compressing equipment.

The total cost of these facilities is estimated at $5,812,500, to be shared equally by Texas Eastern and Transco. New York Natural proposes to operate the Leidy facilities for Texas Eastern, the latter using its share of the storage pool to furnish much of the WS gas it proposes to sell in Docket No. G–18969.

In its application in Docket No. G–19181, filed on August 10, 1959, Transco seeks authorization to construct and operate a new 6,000 horsepower compressor station on its Leidy transmission line, in Lycoming County, Pennsylvania. This additional compression is stated to be required, to enable Transco to fulfill its delivery commitments into the Leidy Storage Pool once Texas Eastern begins utilizing its share of the pool. Transco and Texas Eastern each have an undivided one-quarter interest in the Leidy-Tamarack pools. New York Natural has a one-half interest. Under the terms of the Transfer and Storage Agreements for the development and operation of the Leidy Pool, Transco states it must maintain a pressure of 1,000 pounds at its delivery points to New York Natural in the Leidy area. The new compressor station will be required by Transco to maintain such pressure after Texas Eastern's share of the storage facility has been developed. The estimated cost of $2,495,100, for the proposed compressor station, will be financed by a reimbursement to Transco from Texas Eastern.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations, and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on May 2, 1960, at 10:00 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before April 18, 1960.

JOSEPH H. GUTRIDE,
Secretary.

[5] See Appendix B.

APPENDIX A

TEXAS EASTERN TRANSMISSION CORPORATION

Proposed additional volumes in Mcf @ 14.73 psia

Customer	Maximum daily quantity	Average daily volumes	Winter contract quantity
Algonquin Gas Transmission Co	75,217	50,145	4,513,008
Arkansas Missouri Power Co	3,060	2,040	183,605
Brooklyn Union Gas Co	61,202	40,801	3,672,098
Consolidated Edison Co	45,901	30,601	2,754,073
Consumers Gas Co	122	82	7,344
Huntingdon Gas Co	55	37	3,305
Illinois Electric & Gas Co	4,590	3,060	275,407
Indiana Gas & Water Co	3,060	2,040	183,605
Lewiston Gas Co	55	37	3,305
Long Island Lighting Co	15,300	10,200	918,024
Mid South Gas Co	612	408	36,721
Mississippi Valley Gas Co	6,120	4,080	367,210
Missouri Utilities	1,530	1,020	91,802
New Jersey Natural Gas Co	15,300	10,200	918,024
Ohio Valley Gas Corp	31	20	1,836
Philadelphia Electric Co	42,841	28,561	2,570,468
Philadelphia Gas Works, Division of UGI	12,750	8,500	764,990
Pottsville Gas Co	55	37	3,305
Public Service Electric & Gas Co	51,001	34,001	3,060,051
Shippensburg Gas Co	55	37	3,305
Waynesburg Home Gas	337	224	20,197
Total	339,194	226,131	20,351,683

(All but Consolidated Edison Company and Long Island Lighting are existing firm customers of Texas Eastern.)

APPENDIX B

ALGONQUIN GAS TRANSMISSION COMPANY

1961–62 and thereafter—Volumes in Mcf @ 14.73 psia

Customer	Average daily quantity	Maximum daily quantity	Winter contract quantity
Boston Gas Co	17,000	25,500	1,530,000
Brockton-Taunton Gas Co	5,380	8,070	484,200
Buzzards Bay Gas Co	2,347	3,520	211,250
Connecticut Gas Co	2,000	3,000	180,000
Fall River Gas Co	168	252	15,100
Hartford Electric Light Co	600	900	54,000
Hartford Gas Co	8,467	12,700	762,000
Narragansett Electric Co., Warren-Bristol Division	267	400	24,000
New Haven Gas Co	1,500	2,250	135,000
New Jersey Natural Gas Co	1,000	1,500	90,000
Newport Gas Light Co	60	90	5,400
North Attleboro Gas Co	10	15	900
Norwood Gas Co	590	885	53,100
Orange & Rockland Utilities, Inc	250	375	22,500
Pequot Gas Co	33	50	3,000
Providence Gas Co	8,800	13,200	792,000
South County Gas Co	73	110	6,600
Worcester Gas Light Co	1,600	2,400	144,000
Total	50,145	75,217	4,513,050

[F.R. Doc. 60–2804; Filed, Mar. 28, 1960; 8:46 a.m.]

DEPARTMENT OF THE TREASURY

Bureau of Customs

[T.D. 55080]

COAL, COKE, AND BRIQUETTES IMPORTED FROM CERTAIN COUNTRIES

Taxable Status

MARCH 23, 1960.

Coal, coke made from coal, and coal or coke briquettes imported from the following countries and entered for consumption or withdrawn from warehouse

for consumption during the period from January 1 to December 31, 1960, inclusive, will not be subject to the tax of 10 cents per 100 pounds prescribed in section 4531, Internal Revenue Code of 1954:

Canada.
Japan.
Korean Republic.
Mexico.
Netherlands.
United Kingdom.
West Germany.

Certain countries from which there have been no importations of coal or allied fuels since January 1, 1958, are not included in the above list. Further information concerning the taxable status of coal or allied fuels imported during the calendar year 1960 from countries not listed above will be furnished upon application therefor to the Bureau of Customs.

[SEAL] RALPH KELLY,
Commissioner of Customs.

[F.R. Doc. 60-2826; Filed, Mar. 28, 1960; 8:49 a.m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

[Claim No. 59773]

GUSTAVE L. BONWITT ET AL.

Amended Notice of Intention To Return Vested Property

The Notice of Intention To Return Vested Property to Gustave L. Bonwitt and Mrs. Elizabeth Hartogs-Hijman, which was published in the FEDERAL REGISTER on July 26, 1958 (23 F.R. 5678), is hereby amended in view of the death of Mrs. Elizabeth Hartogs-Hijman by deleting therefrom under the heading "Claimant" the words: Mrs. Elizabeth Hartogs-Hijman, Arnhem, Holland, and substituting in place thereof the following: Carola van den Bergh, Alexandra Park, Salisbury, Zuid-Rhodesia, and Regina van den Bergh, South Park Crescent, Gerrards Cross, England; and by deleting under the heading "Property and Location" the words: Mrs. Elizabeth Hartogs-Hijman and substituting therefor the words: Carola van den Bergh and Regina van den Bergh.

All other provisions of said Notice of Intention To Return Vested Property and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto, and under the authority thereof, are hereby ratified and confirmed.

Executed at Washington, D.C., on March 22, 1960.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F.R. Doc. 60-2825; Filed, Mar. 28, 1960; 8:49 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[No. 18]

ALASKA

Public Sale Act Classification; Cancellation

MARCH 18, 1960.

1. Effective at 10:00 a.m., April 8, 1960, Federal Register Document 55-2110 appearing on page 1564 of the issue for March 15, 1955, is revoked in its entirety, thereby cancelling its segregative effect upon the following described public lands:

Lots 9 and 22, Section 11, T. 14 N., R. 2 W., Seward Meridian.

Containing 2.8 acres.

2. These lands are subject to an application by the State of Alaska, Anchorage 050749, and were classified for their benefit by Recreation and Public Purposes Classification Order No. 107 effective at 10:00 a.m. on March 22, 1960.

L. T. MAIN,
Operations Supervisor.

[F.R. Doc. 60-2828; Filed, Mar. 28, 1960; 8:49 a.m.]

Fish and Wildlife Service

[Commissioner's Order 3, Rev., Amdt. 1]

DIRECTOR, BUREAU OF COMMERCIAL FISHERIES

Delegation of Authority To Negotiate a Contract for Procurement of One Sharples Oil Purifier

SECTION 1. *Delegation.* The Director of the Bureau of Commercial Fisheries is authorized, subject to the provisions of section 2 of this order, to exercise the authority delegated by the Secretary of the Interior in Secretary's Order No. 2845 to negotiate, without advertising, under section 302(c)(13) of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 252 et seq.), a contract for the procurement of one Sharples oil purifier for use on St. Paul Island, Alaska.

SEC. 2. *Exercise of authority.* The authority delegated by section 1 of this order shall be exercised in accordance with the applicable limitations in the Federal Property and Administrative Services Act of 1949, as amended, and in accordance with applicable policies, procedures and controls prescribed by the General Services Administration and the Department of the Interior.

SEC. 3. *Redelegation.* The Director of the Bureau of Commercial Fisheries may, in writing, redelegate to the Regional Director, Bureau of Commercial Fisheries, Seattle, Washington, the authority granted by section 1 of this amendment.

D. H. JANZEN,
Acting Commissioner of Fish and Wildlife.

MARCH 23, 1960.

[F.R. Doc. 60-2806; Filed, Mar. 28, 1960; 8:47 a.m.]

Office of the Secretary

[Director's Order 2, Amdt. 4]

REGIONAL DIRECTOR, BUREAU OF COMMERCIAL FISHERIES, SEATTLE, WASH.

Delegation of Authority To Negotiate a Contract for Procurement of One Sharples Oil Purifier

SECTION 1. *Delegation.* The Regional Director, Bureau of Commercial Fisheries, Seattle, Washington, is authorized, subject to the provisions of section 2 of this order, to exercise the authority delegated by the Commissioner of Fish and Wildlife, Commissioner's Order No. 3, Revised, Amendment No. 1, to negotiate, without advertising, under section 302(c)(13) of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 252 et seq.), a contract for the procurement of one Sharples oil purifier for use on St. Paul Island, Alaska.

SEC. 2. *Exercise of authority.* The authority delegated by section 1 of this order shall be exercised in accordance with the applicable limitations in the Federal Property and Administrative Services Act of 1949, as amended, and in accordance with applicable policies, procedures and controls prescribed by the General Services Administration and the Department of the Interior.

SEC. 3. *Redelegation.* The authority granted by this order may not be redelegated.

A. W. ANDERSON,
Acting Director,
Bureau of Commercial Fisheries.

MARCH 23, 1960.

[F.R. Doc. 60-2807; Filed, Mar. 28, 1960; 8:47 a.m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

MEMBER LINES OF ATLANTIC PASSENGER STEAMSHIP CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733, 46 U.S.C. 814):

Agreement No. 7840-35, between the member lines of the Atlantic Passenger Steamship Conference, modifies the Annex to the basic agreement of that

conference (No. 7840, as amended), which governs all Atlantic passenger traffic of such lines between European, Mediterranean and Black Sea countries, also Morocco, Madeira and the Azores Islands, on the one hand, and ports on the East Coast of North America, including United States, Canada and Newfoundland, and United States Gulf ports, on the other hand. The purpose of the modification is to add a commentary setting forth the understanding of the member lines that the widows and minor children (whether pensioned or not) of deceased railroad officers and employees are not entitled to the reduction in ocean rates accorded to such officers and employees.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D.C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 23, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-2812; Filed, Mar. 28, 1960; 8:47 a.m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

DIRECTOR, COMMUNITY DISPOSITION PROGRAM

Delegation of Authority With Respect to Emergency Housing Properties

1. The Director, Community Disposition Program, is hereby authorized to execute the powers and functions vested in the Housing and Home Finance Administrator under the provisions of Public Law 781, 76th Cong. (54 Stat. 883); Public Law 849, 76th Cong., as amended (Lanham Act, as amended, 42 U.S.C. 1521), and Reorganization Plan No. 17 of 1950 (64 Stat. 1269); Public Laws 9, 73, and 353, 77th Cong., as amended (55 Stat. 14, 198, and 818, as amended); and Title II of Public Law 266, 81st Cong. (63 Stat. 659).

2. Any instrument or document executed by the Director, Community Disposition Program, purporting to relinquish or transfer any rights, title, or interest in or to real or personal property under the authority of this delegation shall be conclusive evidence of the authority of such Director to act for the Housing and Home Finance Administrator in executing such instrument or document.

(Reorg. Plan No. 3 of 1947, 61 Stat. 954; 62 Stat. 1283 (1948), as amended, 12 U.S.C. 1701c)

Effective as of the 29th day of March 1960.

[SEAL] NORMAN P. MASON,
Housing and Home Finance Administrator.

[F.R. Doc. 60-2810; Filed, Mar. 28, 1960; 8:47 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 285]

MOTOR CARRIER TRANSFER PROCEEDINGS

MARCH 24, 1960.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 62977. By order of March 23, 1960, the Transfer Board approved the transfer to Archie Harvey Haney, doing business as A. H. Haney Stables, Wheeling, West Virginia, of Certificate No. MC 113290, issued October 3, 1957, to Gerard E. Donohue, doing business as Muller's Horse Transportation, Charles Town, West Virginia, authorizing the transportation of: Livestock, other than ordinary livestock, and in the same vehicle with livestock, bridles, saddles, blankets, screens, buckets, food tubs and feed for livestock while en route, between points in Pennsylvania, Maryland, West Virginia, New Jersey, Delaware, Rhode Island, New Hampshire and New York; and horses, other than ordinary, and in the same vehicle with such horses, stable supplies and equipment used in the care and exhibition of such horses, mascots, and personal effects of their attendants, trainers, and exhibitors, between points in Delaware, Maryland, Ohio, Pennsylvania, and West Virginia. George F. Beneke, Attorney, 500 Riley Law Building, Wheeling, W. Va.

No. MC-FC 63070. By order of March 23, 1960, the Transfer Board approved the transfer to Arthur Broekhuis, Jr., and Peter Gilman, a partnership, doing business as Broekhuis & Gilman, Edgerton, Minn., of Certificate No. MC 59453 issued November 9, 1956, in the name of Arthur Broekhuis, Jr., and Wesley Hendricks, a partnership, doing business as Broekhuis & Hendricks, authorizing the transportation over irregular routes of agricultural commodities, farm machinery, hardware, feed, flour, hatchery supplies, and household goods as defined by the Commission, between Edgerton, Minn., and points in Minnesota within 15 miles of Edgerton, on the one hand, and on the other, Sioux Falls, S. Dak., and Sioux City, Iowa; and livestock, between Edgerton, Minn., and points within 15 miles of Edgerton, on the one hand, and, on the other, Sioux City, Iowa, and points in South Dakota east of the Missouri River. T. M. Bailey, 613 Security Bank Building, Sioux Falls, S. Dak., for applicants.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-2809; Filed, Mar. 28, 1960; 8:47 a.m.]

CUMULATIVE CODIFICATION GUIDE—MARCH

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during March.

1 CFR

Page

Appendix A ... 2281

3 CFR

PROCLAMATIONS:

3336 ... 2351
3337 ... 2351
3338 ... 2351
3339 ... 2352

EXECUTIVE ORDERS:

Feb. 18, 1870 ... 1949
Mar. 26, 1881 ... 1949
June 8, 1901 ... 1867
982 ... 2073
1624 ... 2073
1776 ... 2073
1778 ... 2073
2119 ... 2073
4124 ... 2073
4208 ... 1949
7752 ... 2163
7775 ... 2163
8001 ... 2163
9769 ... 2073
10017 ... 2073
10337 ... 2073
10501 ... 2073
10577 ... 2073
10868 ... 1927
10869 ... 2073
10870 ... 2197
10871 ... 2251
10872 ... 2379

PRESIDENTIAL DOCUMENTS OTHER THAN PROCLAMATIONS AND EXECUTIVE ORDERS:

Memorandum, November 5, 1953 ... 2073
Memorandum, May 7, 1959 ... 2073
Memorandum, March 9, 1960 ... 2073
Transfer Plan ... 2151

5 CFR

2 ... 2074, 2198, 2353
6 ... 1928, 2005, 2074, 2152, 2471, 2511, 2611
24 ... 1743, 2380
29 ... 2380
325 ... 1928

6 CFR

331 ... 1905, 2047
365 ... 2611
372 ... 2511
381 ... 2471
421 ... 1815, 2047, 2049, 2051, 2053, 2125, 2380
438 ... 2472
443 ... 1816
477 ... 2005
482 ... 2571
485 ... 1867, 1868
502 ... 2473

7 CFR

4 ... 1985
52 ... 2005
301 ... 2571, 2572
352 ... 1929
354 ... 2353
362 ... 1934
401 ... 2572
718 ... 1743, 2125, 2385
719 ... 1816
723 ... 2125

7 CFR—Continued

Page

728 ... 2074, 2386
729 ... 2478
815 ... 2006
821 ... 2198
822 ... 2198
836 ... 2198
850 ... 1905, 1906, 2252, 2253
902 ... 2511
903 ... 2198
904 ... 2611
914 ... 1935, 2097, 2152, 2353, 2572
922 ... 1908, 2512
925 ... 2512
933 ... 1936
946 ... 1747
953 ... 1817, 1937, 2097, 2354, 2573
954 ... 1756
955 ... 2098
965 ... 1763
975 ... 2478
987 ... 1817
990 ... 2613
996 ... 2614
999 ... 2616
1015 ... 2512
1019 ... 2617
1021 ... 2513
1065 ... 2514
1070 ... 2515
1105 ... 2515

PROPOSED RULES:

28 ... 2622
52 ... 2493
53 ... 1913
362 ... 2587
723 ... 2059
725 ... 2059
814 ... 2495
902 ... 1838, 2261
903 ... 2129, 2623
904 ... 1879, 2086
912 ... 2057
918 ... 2221
921 ... 2132, 2626
923 ... 2579
928 ... 2057, 2535
934 ... 2629
944 ... 2057
960 ... 2536
972 ... 1791
975 ... 2106, 2234
977 ... 2536
990 ... 1879
995 ... 2106
996 ... 1879
998 ... 2541
999 ... 1879
1012 ... 2579
1018 ... 2263, 2644
1019 ... 1879
1021 ... 1954
1024 ... 2236, 2644
1028 ... 2106
1065 ... 1955

8 CFR

502 ... 2152

9 CFR

18 ... 2417
73 ... 1873
131 ... 1937, 1938
155 ... 1763

10 CFR

Page

PROPOSED RULES:

30 ... 2134
31 ... 2134
72 ... 2236

12 CFR

5 ... 2158
204 ... 1818
221 ... 2098
522 ... 2417

PROPOSED RULES:

222 ... 2140

13 CFR

107 ... 2354, 2516

14 CFR

20 ... 2126
40 ... 1987
41 ... 1987
42 ... 1987, 2360
60 ... 1764, 1987
200—399 ... 2474
221 ... 2417
241 ... 2126
302 ... 1868, 2573
375 ... 1767
501 ... 1938
507 ... 1818, 1908, 1987, 2041, 2077, 2078, 2255, 2418, 2524, 2619
514 ... 2525
600 ... 1819, 1938–1940, 1988–1991, 2009–2011, 2041, 2078, 2079, 2159, 2160, 2199, 2360, 2387, 2388, 2474, 2475, 2525, 2526, 2574, 2620
601 ... 1819, 1938–1940, 1988–1992, 2009–2011, 2041, 2078, 2079, 2098, 2159, 2160, 2199, 2360, 2361, 2387, 2474–2476, 2526, 2527, 2574, 2620
602 ... 1992, 2200, 2255, 2388, 2476, 2575, 2620
608 ... 1868, 2099, 2418, 2620
609 ... 1868, 2042, 2080, 2477
610 ... 2389
618 ... 2620
1209 ... 2100

PROPOSED RULES:

4b ... 2270
10 ... 2270
40 ... 2270
41 ... 2270
42 ... 2270
60 ... 2137
300 ... 2436
302 ... 2436
507 ... 1839, 1883, 2060, 2165, 2166, 2438
514 ... 1884
570 ... 2137
600 ... 1801–1804, 1839, 1956–1965, 2017, 2018, 2084, 2085, 2107–2109, 2439, 2543–2545, 2589, 2590, 2646
601 ... 1802–1804, 1839, 1840, 1960–1965, 2017, 2018, 2085, 2086, 2108–2110, 2139, 2439, 2496–2498, 2544, 2545, 2589–2593, 2646
602 ... 1804, 1805, 1966, 1993, 2086
608 ... 2086, 2109, 2593
618 ... 2594
619 ... 2137

15 CFR

20 ... 2163
230 ... 2083